PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 27, 2021

New Issue; Book-Entry Only | **Ratings:** ***Fitch A+*** ***Moody's A1***

This Official Statement has been prepared by the College of Charleston to provide information on the Series 2021B Bonds. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the Series 2021B Bonds, a prospective investor should read this Official Statement in its entirety. Unless indicated, capitalized terms used on this cover page have the meanings given in the Official Statement.

COLLEGE of CHARLESTON

Charleston, South Carolina

$41,180,000* ACADEMIC AND ADMINISTRATIVE FACILITIES REVENUE BONDS SERIES 2021B

Dated: Date of Delivery | **Due: As shown on inside cover**

Tax-Exemption In the opinion of Bond Counsel, interest on the Series 2021B Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, and court decisions. Interest on the Series 2021B Bonds is not an item of tax preference for purposes of the alternative minimum tax on individuals. The Series 2021B Bonds and the interest thereon are presently exempt from all taxation in the State of South Carolina (the "State") except for estate or other transfer taxes. It should be noted, however, that Section 12-11-20, Code of Laws of South Carolina 1976, as amended, imposes upon every bank engaged in business in the State, a fee or franchise tax computed on the entire net income of such bank which includes interest paid on the Series 2021B Bonds. See "TAX MATTERS" herein.

Redemption The Series 2021B Bonds maturing on or after April 1, 2033, are subject to optional redemption at par on or after April 1, 2032. As provided in the Series 2021B Official Notice of Bond Sale, bidders for the Series 2021B Bonds may designate term maturities and, upon such designation, the Series 2021B Bonds of such term maturities shall be subject to mandatory sinking fund redemption in part on April 1, in the principal amounts which would otherwise have matured in such designated years, at the price of par plus accrued interest to the redemption date, without premium. See "THE SERIES 2021B BONDS—Redemption Provisions" herein.

Security The Series 2021B Bonds are secured by the "Net Revenues" as defined in the General Bond Resolution. Please see "SECURITY FOR THE SERIES 2021B BONDS." The Series 2021B Bonds do not constitute an indebtedness of the State within the meaning of any constitutional or statutory limitation nor do they constitute a pledge of the full faith and credit of the State or any of its political subdivisions.

Purpose The Series 2021B Bonds are issued for the purpose of paying a portion of the costs of renovation and expansion of the College's Simons Center for the Arts. Proceeds of the Series 2021B Bonds will also be used to pay certain Cost of Issuance.

Interest Payment Dates April 1 and October 1, commencing April 1, 2022.

Denominations $5,000 or any integral multiple thereof.

Maturity/Principal Amount See Inside Cover.

Expected Closing/Settlement On or about September 22, 2021 through the facilities of The Depository Trust Company.

Bond Counsel Burr Forman McNair, Charleston, South Carolina.

Issuer's Counsel Angela B. Mulholland, Esq., General Counsel.

Disclosure Counsel Howell Linkous & Nettles, LLC, Charleston, South Carolina.

Trustee State Treasurer of the State.

Paying Agent/Registrar U.S. Bank National Association, Columbia, South Carolina.

Financial Advisor Piedmont Securities LLC, Davidson, North Carolina.

Book-Entry System The Depository Trust Company and its Participants. See "THE SERIES 2021B BONDS-Book-Entry Only System" herein.

September __, 2021

* Preliminary, subject to change.

$41,180,000*
ACADEMIC AND ADMINISTRATIVE FACILITIES REVENUE BONDS
SERIES 2021B

Due April 1	Principal Amount*	Interest Rate	Yield	CUSIP†	Due April 1	Principal Amount*	Interest Rate	Yield	CUSIP†
2024	$ 985,000				2038	$1,415,000			
2025	1,010,000				2039	1,460,000			
2026	1,045,000				2040	1,500,000			
2027	1,075,000				2041	1,545,000			
2028	1,105,000				2042	1,595,000			
2029	1,140,000				2043	1,640,000			
2030	1,175,000				2044	1,690,000			
2031	1,210,000				2045	1,740,000			
2032	1,245,000				2046	1,795,000			
2033	1,285,000				2047	1,850,000			
2034	1,310,000				2048	1,935,000			
2035	1,335,000				2049	2,020,000			
2036	1,360,000				2050	2,115,000			
2037	1,385,000				2051	2,215,000			

$___________* _____% Series 2021B Term Bonds, due April 1, ______, Yield _______%, CUSIP† ___________

$___________* _____% Series 2021B Term Bonds, due April 1, ______, Yield _______%, CUSIP† ___________

$___________* _____% Series 2021B Term Bonds, due April 1, ______, Yield _______%, CUSIP† ___________

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* Preliminary, subject to change.

† Copyright, American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, a division of S&P Global. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Series 2021B Bonds and the State makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2021B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2021B Bonds.

For purposes of compliance with Rule 15c2-12 ("Rule 15c2-12") of the U.S. Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the College of Charleston (the "College") from time to time (collectively, the "Official Statement"), may be treated as an "Official Statement" with respect to the Series 2021B Bonds described herein that is deemed final as of the date hereof (or as of the date of any such supplement or correction) by the College. The Official Statement, when further supplemented by a Final Official Statement specifying the interest rates, principal amounts, in the aggregate and per maturity, and delivery dates of the Series 2021B Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the College with respect to the Series 2021B Bonds, as that term is defined in Rule 15c2-12. Any addendum or amendment shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2021B Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, broker, salesperson, or other person has been authorized by the Board of Trustees for the College of Charleston (the "Board of Trustees") to give any information or to make any representation, other than as contained in this Official Statement, in connection with the offering described herein, and if given or made, such other information or representation must not be relied upon as having been authorized by the Board. This Official Statement is submitted in connection with the sale of the Series 2021B Bonds described herein, and may not be reproduced, used, or relied upon, in whole or in part, for any other purpose.

The College designates the senior managing underwriter of the syndicate to which the Series 2021B Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each participating underwriter. Any underwriter executing and delivering a bid with respect to the Series 2021B Bonds agrees thereby that if its bid is accepted by the College (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all participating underwriters of the Series 2021B Bonds for purposes of assuring the receipt by each participating underwriter of the Final Official Statement.

By awarding the Series 2021B Bonds to any underwriting syndicate submitting a bid pursuant to the terms of the Series 2021 Official Notice of Sale, the College agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Series 2021B Bonds are awarded copies of the Final Official Statement in the amount specified in the Series 2021 Official Notice of Sale.

CERTAIN INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT MAY HAVE BEEN OBTAINED FROM SOURCES OTHER THAN RECORDS OF THE COLLEGE AND, WHILE BELIEVED TO BE RELIABLE, IS NOT GUARANTEED AS TO COMPLETENESS OR ACCURACY. THE INFORMATION AND EXPRESSIONS OF OPINION IN THIS OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COLLEGE SINCE THE DATE HEREOF.

Reference herein to laws, rules, regulations, resolutions, agreements, reports, and other documents do not purport to be comprehensive or definitive. All references to laws, rules, regulations, agreements, reports, and other documents are qualified in their entirety by reference to the particular laws, rules, regulations, agreements, reports, and other documents, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to this Official Statement, they will be furnished on request.

The Series 2021B Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and the same will not be listed on any stock or other securities exchange. Neither the U.S. Securities and Exchange Commission nor any other federal, state, or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Series 2021B Bonds for sale. Any representation to the contrary is a criminal offense.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COLLEGE AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

This Official Statement contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the use of the future tense or by terms such as "may," "intend," "will," "expect," "forecast," "project," "anticipate," "estimate," "plan," "budget," "believe," "should," "strategy," "position," or the negative of such terms or variations of such words or similar expressions. In particular, any statements, express or implied, concerning future operating results or the ability to generate Net Revenues to service indebtedness are forward-looking statements. Investors are cautioned that reliance on any of those forward-looking statements involves risks and uncertainties and that, although the College's management believes that the assumptions on which those forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate. Those forward-looking statements, including forecasts, projections, and estimates, are based on currently available information, expectations, estimates, assumptions, and projections, and management's judgment about future enrollment, expenses of operations, and general economic conditions. The forward-looking statements are not guarantees of future performance. Actual results may vary materially and adversely from what is contained in a forward-looking statement. Factors which may cause results different from those expected or anticipated include, among others, decrease in student enrollment, reduction in student demands for housing, increases in housing competition, increases in costs of operation, decreases in levels of State financial support, general economic and business conditions, and various other events, conditions, and circumstances, many of which are beyond the control of the College. As a result, the forward-looking statements based on those assumptions also could be incorrect, and actual results may differ materially and adversely from any results indicated or suggested by those assumptions.

Although the College believes in making any such forward-looking statement, and its expectations are based on assumptions considered reasonable by the College, any such forward-looking statement involves uncertainties and is qualified in its entirety by reference to factors both identified within this Official Statement and from publicly available sources about trends in higher education that could cause the actual financial operating results of the College to differ materially and adversely from those contemplated in such forward-looking statements.

Any forward-looking statement speaks only as of the date such statement is made, and the College undertakes no obligation to update any forward-looking statement in this Official Statement to reflect events or circumstances after the date of this Official Statement or to reflect the occurrence of unanticipated events. New factors arise or emerge from time to time, and it is not possible for the College to predict all such factors, nor can it assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially and adversely from those contained in any forward-looking statement.

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IMPACT OF COVID-19 ON THE FINANCIAL CONDITION AND OPERATIONS OF THE COLLEGE

General

The outbreak of COVID-19, a respiratory disease caused by a novel strain of coronavirus first reported in China, has spread to many other countries around the world, including the United States, and is characterized as a pandemic by the World Health organization. On March 13, 2020 Governor McMaster of South Carolina declared a State-wide state of emergency, and President Donald Trump declared a nationwide emergency pursuant to Sec. 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 resulting from the ongoing COVID-19 pandemic. The United States State Department and the Centers for Disease Control and Prevention ("CDC"), as well as other national, state, and local governmental authorities, issued recommendations and requirements for quarantine and other "social distancing" measures in affected areas, including South Carolina. These measures initially included recommendations and warnings to limit non-essential travel, promote telecommuting and telemedicine, limit public gatherings, regulate the operation of business, and proscribe various health and safety measures for citizens and residents. The State-wide state of emergency was allowed to lapse on June 6, 2021, after remaining in effect for 451 days. On June 7, 2021, Governor McMaster announced that he does not intend to extend the state of emergency further. Despite a more recent spike in COVID-19 infections in the State, including from the Delta variant, no additional emergency measures have been taken by the Governor at this time.

Federal Relief Funds and Ongoing Protocols

During Fiscal Year 2020-21, federal COVID-19 relief funds received by the College were used for masks, gloves, hand sanitizer, and hand sanitizer stations which were distributed throughout the campus. All public areas of the campus underwent disinfection/enhanced cleaning services regularly, and sneeze guards were installed in campus service areas. Signage was put in place to provide directional information, and information regarding elevator capacity, mask requirements, and social distancing requirements in all campus buildings. In addition, classrooms were set up to accommodate social distancing and outdoor classrooms were established. There were several testing and vaccine events, and contact tracers were hired to help identify and notify people who had been in contact with those who tested positive. Residence halls operated at reduced capacity, with certain areas being used for quarantining and isolation.

The use of federal relief funds and prudent fiscal management helped to position the College well for the start of the 2020-21 academic year. The College was able to keep the campus open and continue instruction for the entire 2020-21 academic year by following the advice and direction of the CDC and the South Carolina Department of Health and Environmental Control ("DHEC"). In continuing those practices along with the current emergence of the Delta variant and the most recent guidance from the CDC and DHEC, the College is requiring the wearing of face masks while around others, indoors.

The College plans to open the campus to full capacity with in-person instruction, and full-occupancy in the residence halls for fall 2021. All students registered for classes during the fall 2021 semester must comply with a one-time testing requirement prior to their return to campus. Tests must be conducted between August 12 and August 19, 2021. Students can be exempt from the testing requirement if they either voluntarily submit their fully completed COVID-19 vaccine documentation or submit documentation of a positive COVID-19 test result dated after May 22, 2021. This is being encouraged for all faculty, staff and students, regardless of individual vaccination status. The College has developed a new incentive plan aimed at encouraging students, faculty and staff to get the COVID-19 vaccination and to voluntarily share their vaccine information with the College.

The College plans to continue to use COVID-19 relief funds for on-campus expenses such as masks, hand sanitizer, disinfection and enhanced cleaning services, as well as the setup of outdoor classrooms. As required for use of American Rescue Plan funds, the College will contact students to notify them that they may be eligible for additional financial aid if they or their family have experienced financial hardship due to the pandemic. The College also intends to identify strategies for suppressing COVID-19 moving forward and utilize relief funds to invest in those strategies.

Forward-Looking Statements and Historical Information in this Official Statement

This Official Statement contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. In particular, any statements, express or implied, concerning future operating results or the ability to generate Net Revenues to service indebtedness are forward-looking statements. Investors are cautioned that reliance on any of those forward-looking statements involves risks and uncertainties and that, although the College's management believes that the assumptions on which those forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, particularly in light of the uncertainties associated with the COVID-19 pandemic. In addition, this Official Statement contains a significant amount of historical financial information. This historical financial information is provided for historical context only and may not represent the College's current expectations for future results.

COVID-19 Uncertainty

As described above, the State and federal governments have taken, and may continue to take, various actions, including the passage of laws and regulations on a wide array of topics, to attempt to contain the spread of COVID-19 and to address the health and economic consequences of the outbreak. The total financial impact of the pandemic on the continuing operations of the College still cannot be predicted at this time due to the dynamic and unprecedented nature of the outbreak, including uncertainties relating to the pandemic's duration and severity, new strains of the virus such as the Delta variant, vaccine distribution, and what, if any, additional actions may be taken by the federal and State government.

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COLLEGE OF CHARLESTON
Charleston, South Carolina

$41,180,000*
ACADEMIC AND ADMINISTRATIVE FACILITIES REVENUE BONDS
SERIES 2021B

THE SERIES 2021B BONDS

General

This Official Statement of the College of Charleston (the "College"), including the cover page and appendices hereto, sets forth certain information concerning the College and its $41,180,000* Academic and Administrative Facilities Revenue Bonds, Series 2021B (the "Series 2021B Bonds"). All information included herein has been provided by the College except where attributed to other sources. The summaries and references to all laws, rules, regulations, resolutions, agreements, reports, and other documents referred to herein do not purport to be complete, comprehensive, or definitive, and each such reference or summary is qualified in its entirety by reference to each such laws, rules, regulations, resolutions, agreements, reports, and other documents. All capitalized terms not defined herein shall have the meanings ascribed to such terms in "Appendix C – Certain Provisions of the Resolution."

Terms and Forms

The Series 2021B Bonds will be dated their date of delivery, will bear interest at the rates, and will mature on April 1 in the years and in the principal amounts, all as shown on the inside cover page hereof. Interest on the Series 2021B Bonds (calculated on the basis of a 360-day year of twelve 30-day months) will be payable semi-annually on April 1 and October 1 of each year (the "Interest Payment Dates") until payment of the principal thereof. Payments of interest on the Series 2021B Bonds will commence April 1, 2022. Interest on the Series 2021B Bonds will be paid to each person in whose name a Series 2021B Bond is registered on the registration books maintained by U.S. Bank National Association, as registrar and paying agent (the "Registrar" and "Paying Agent") at the close of business on the 15th day (whether or not a business day) of the calendar month immediately preceding any Interest Payment Date (the "Record Date") by check or draft mailed by the Paying Agent or, in the case of a holder of $1,000,000 or more in principal amount of Series 2021B Bonds, by wire transfer upon the timely request of such holder. The Series 2021B Bonds are issued in fully-registered form of each series in denominations of $5,000 or any integral multiple thereof. Initially the Series 2021B Bonds are being issued in book-entry form only, represented by a single fully-registered bond for each maturity, initially registered in the name of Cede & Co. the nominee of The Depository Trust Company ("DTC"). As long as the Series 2021B Bonds are in the DTC book-entry only system, payments of principal and interest to the Beneficial Owners will only be made through DTC. For so long as any purchaser is a Beneficial Owner of a Series 2021B Bond, such purchaser must maintain an account with a broker or dealer who is, or acts through, a DTC participant in order to receive payments of principal and interest on the Series 2021B Bonds. Exchanges and transfers of beneficial ownership interests in the Series 2021B Bonds may only be effected through the DTC book-entry only system. See "Book-Entry Only System." The Series 2021B Bonds may be transferred only on registration books of the College maintained by the Registrar at the expense of the College. The principal of all Series 2021B Bonds will be payable upon maturity at the corporate trust office of the Paying Agent upon presentation and surrender for cancellation of Series 2021B Bonds then due and payable. The Trustee for the Holders of the Series 2021B Bonds is the Office of the State Treasurer of the State of South Carolina (the "State Treasurer") in Columbia, South Carolina (the "Trustee").

Purpose

Proceeds of the Series 2021B Bonds will be used to (i) pay a portion of the costs of renovation and expansion of the College's Simons Center for the Arts; and (ii) pay certain Cost of Issuance. See "Plan of Finance" and "Sources and Uses of Proceeds" under this heading.

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*Preliminary, subject to change.

Authorization

The Series 2021B Bonds will be issued under and pursuant to a General Bond Resolution (the "General Bond Resolution") adopted on April 16, 2002, by the Board of Trustees (the "Board of Trustees") of the College, the Series 2021B Bond Resolution (the "Series 2021B Bond Resolution") approved as to form by the Board of Trustees in a Resolution adopted on April 12, 2019, and to be approved in final form under authorization granted by the Board of Trustees to the Executive Vice President for Business Affairs effective [______ __], 2021, the date of sale of the Series 2021B Bonds, and a resolution adopted by the State Fiscal Accountability Authority on August 13, 2019.

The General Bond Resolution, as supplemented by the Series 2021B Bond Resolution, is herein referred to as the "Resolution." A summary of the Resolution is included in this Official Statement as Appendix C – Certain Provisions of the Resolution.

The statutory authorization for the issuance of the Series 2021B Bonds is Title 59, Chapter 130, Article 5 of the Code of Laws of South Carolina, 1976, as amended (the "Academic Act"). The Academic Act authorizes the College to issue revenue bonds for the purposes of financing or refinancing in whole or in part the costs of acquisition, construction, reconstruction, renovation and improvement of land, buildings and other improvements to real property and equipment for the purpose of providing certain academic and administrative buildings as defined under the Academic Act.

In addition to the authorization of the Academic Act, the College has authorization of Title 59, Chapter 147 of the Code of Laws of South Carolina, 1976, as amended (the "Higher Education Act") to issue revenue bonds for the purpose of financing or refinancing the cost of land, buildings, and other improvements to real property and equipment for the purpose of providing facilities for the College, including, but not limited to dormitories, apartment buildings, dwelling houses, bookstores and other college operated stores, laundry, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other nondegree educational facilities.

Under the terms of the General Bond Resolution, the College may issue Bonds thereunder for the purposes authorized by either the Academic Act or the Higher Education Act. The Academic Act and the Higher Education Act may be collectively referred to herein as the "Acts." Both Acts further provide that any bonds issued pursuant thereto may be payable from revenues derived by the College from the operation of the buildings or equipment for which the bonds are issued or, in the discretion of the Board of Trustees, from such revenues and also from any other revenues of the College except revenues derived from appropriations received from the General Assembly of the State, and any tuition funds pledged to the repayment of state institution bonds. Pursuant to the Resolution, the Board of Trustees is pledging Net Revenues (as defined below) to the payment of the Series 2021B Bonds.

Redemption Provisions

<u>Optional Redemption</u>. The Series 2021B Bonds maturing on or after April 1, 2033, are subject to redemption prior to maturity, at the option of the College, on and after April 1, 2032, in whole, or in part at any time, in any order selected by the College, by payment of a redemption price equal to the principal amount of each Series 2021B Bond called for redemption plus interest accrued to the date fixed for redemption.

[<u>Mandatory Sinking Fund Redemption</u>. The Series 2021B Bonds maturing on April 1, _____, _____ and ____ (the "Term Bonds") are subject to mandatory sinking fund redemption commencing on the dates shown in the following tables and will be redeemed (to the extent not previously redeemed as described above), at 100% of the principal amount thereof, plus interest accrued thereon to the redemption date, on April 1 of each of the following years in the respective principal amounts specified in the following tables:

Series 2021B Bonds
Due April 1, _____

April 1	Amount

Series 2021B Bonds
Due April 1, ____

April 1	Amount

Series 2021B Bonds
Due April 1, ____

April 1	Amount

____
* Maturity, not a redemption.

The amount of any such mandatory sinking fund redemption shall be reduced to the extent Series 2021B Bonds of the applicable maturity have been purchased or redeemed by the College pursuant to any optional redemption provisions, in such manner as the College shall direct, or absent such direction, on a pro rata basis.]

Extraordinary Redemption. The Series 2021B Bonds are also subject to redemption prior to maturity at the option of the Board of Trustees as a whole or in part at any time, at a redemption price equal to the principal amount thereof, together with interest accrued to the date of redemption, if (a) the Higher Education Facilities, or any substantial portion thereof, shall have been damaged or destroyed to the extent that, in the opinion of the Board of Trustees, it would not be practicable or desirable to rebuild, repair or restore such Higher Education Facilities; or (b) there occurs condemnation in the exercise of any power of eminent domain of all or a substantial portion of the Higher Education Facilities.

Notice of Redemption. In the event any of the Series 2021B Bonds or portions thereof are called for redemption, the Registrar shall give notice, in the name of the College, of redemption of Series 2021B Bonds by first-class mail, postage prepaid, to the registered owner thereof as shown on the Books of Registry of the College and to such Securities Depositories as the College may designate not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for the redemption thereof. Such notice of redemption shall state: (i) the title of such Series 2021B Bonds to be redeemed, CUSIP numbers, date of issue, the series designation (if any) thereof, the redemption date, the place or places of redemption and the redemption price or redemption premium, if any, payable upon such redemption; (ii) if less than all such Series 2021B Bonds are to be redeemed, the distinctive number of such Series 2021B Bonds to be redeemed; (iii) that the interest on such Series 2021B Bonds designated for redemption in such notice shall cease to accrue from and after such redemption date; and (iv) that on such date there will become due and payable on each such Series 2021B Bond the principal amount thereof to be redeemed at the then applicable redemption price or redemption premium, if any, and the interest accrued on such principal amount to the redemption date.

Failure duly to give such notice by mailing, or any defect in the notice, to the Holder of any such Series 2021B Bond designated for redemption shall not affect the validity of any proceedings for the redemption of any other Series 2021B Bonds. All Series 2021B Bonds or portions thereof so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption are on deposit with the Paying Agent, and such Series 2021B Bonds shall not be deemed to be Outstanding under the provisions of the General Bond Resolution.

Book-Entry Only System

The Series 2021B Bonds will be available to purchasers under the book-entry system maintained by The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2021B Bonds. Purchasers will not be entitled to receive physical delivery of the Series 2021B Bonds. For so long as any purchaser is a beneficial owner of a Series 2021B Bond, such purchaser must maintain an account with a broker or dealer who is, or acts through, a DTC participant in order to receive payment of principal of and interest on such Series 2021B Bonds. See "Appendix D – DTC and Book-Entry Only System" herein for a more complete description of the Book-Entry Only System for the Series 2021B Bonds.

Plan of Finance

The Series 2021B Bonds are issued for the purpose of paying the costs of renovation and expansion of the College's Simons Center for the Arts (the "Project"). Proceeds of the Series 2021B Bonds will also be used to pay certain Cost of Issuance. The anticipated Project budget is approximately $50,000,000, including Project contingency, which will be funded by a combination of $529,781 contributed by the State, $3,970,219 of other funds of the College and proceeds of the Series 2021B Bonds. The College has received a guaranteed maximum price contract proposal from the Project contractor in the amount of not to exceed $37,319,719 related to Project construction, which is anticipated to be executed prior to delivery of the Series 2021B Bonds. Additional Project costs, primarily soft costs (*e.g*., technology, furniture, fixtures and equipment, and professional services) comprise the remainder of the Project budget.

The Project will provide for the renovation and expansion of the Simons Center for the Arts, which was originally constructed in 1979. The building requires infrastructure renovation/replacement, upgrades to meet current building/accessibility codes and space utilization alterations to meet current and future program needs. Specifically, the Project will provide: a satellite central energy plant to power the building and two adjacent structures; a state-of-the-art black box theatre; expanded storage and studio space for the costume shop; renovated support spaces for performance areas; renovated Emmett Robinson Theatre; upgrades to printmaking, sculpture, and painting studios; new computer and design labs; a radio and music production studio; and faculty/staff offices.

Sources and Uses of Proceeds

The following tables set forth the estimated sources of funds to be derived from the sale of the Series 2021B Bonds and the uses of such funds:

Series 2021B Bonds

Sources of Funds	
Par Amount	$________
Plus: Premium	________
Cash Contribution of the College	________
State Appropriations	________
Total Sources	$________
Uses of Funds	
Deposit to Project Fund	$________
Cost of Issuance*	________
Total Uses	$________

*Includes underwriter's discount and other costs of issuance.

Terms of Offering

The Series 2021B Bonds are offered when, as, and if issued by the College, subject to the approval of legality by Burr Forman McNair, Charleston, South Carolina, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Board of Trustees by Angela B. Mulholland, Esq., General Counsel, Charleston, South Carolina. Howell Linkous & Nettles, LLC, Charleston, South Carolina, is serving as Disclosure Counsel. When issued, the Series 2021B Bonds will initially be registered in the name of Cede & Co., as nominee for DTC. See "THE SERIES 2021B BONDS—Book-Entry Only System" herein. It is expected that the Series 2021B Bonds in definitive form will be available for delivery on or about September 22, 2021, through the facilities of DTC.

Parties and Professionals in the Transaction

Issuer	College of Charleston Charleston, South Carolina
Issuer Counsel	Angela B. Mulholland, Esq., General Counsel Charleston, South Carolina
Bond Counsel	Burr Forman McNair Charleston, South Carolina
Disclosure Counsel	Howell Linkous & Nettles, LLC Charleston, South Carolina
Trustee	Office of the State Treasurer, State of South Carolina Columbia, South Carolina
Financial Advisor	Piedmont Securities LLC Davidson, North Carolina
Paying Agent & Registrar	U.S. Bank National Association Columbia, South Carolina
Auditor	Elliott Davis, LLC Charleston, South Carolina

Miscellaneous

This Official Statement speaks only as of its date and the information contained herein is subject to change.

In the Series 2021B Bond Resolution, the College has undertaken to provide certain audited financial and other information on an annual basis, and to provide notices of the occurrence of certain enumerated events, for the benefit of the Holders of the Series 2021B Bonds. See "LEGAL MATTERS—Continuing Disclosure" herein.

Prior to the delivery of the Series 2021B Bonds, copies of the documents described herein may be obtained from the College by contacting John F. Loonan, Executive Vice President for Business Affairs, College of Charleston, 66 George Street, Charleston, South Carolina 29424, 843-953-5841. After closing, copies of the documents may be obtained from the Trustee.

In any case where the Interest Payment Date or a date fixed for the payment of principal on a Series 2021B Bond, whether by redemption or otherwise, shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the State, or the state in which the office of the Trustee is located, are authorized by law to close, that action shall be taken on the next succeeding business day occurring thereafter. In that event there should be no additional interest due on the Series 2021B Bonds.

SECURITY FOR THE SERIES 2021B BONDS

The Series 2021B Bonds, together with the interest thereon, are payable solely from and secured equally and ratably by a lien upon the Net Revenues which are defined as the Revenues (hereinafter defined) after deducting the Operation and Maintenance Expenses (hereinafter defined). The pledge of Net Revenues securing the Series 2021B Bonds is on a parity with the pledge of Net Revenues securing the College's Bonds as described in the following table and any other parity Additional Bonds (as hereinafter defined) issued pursuant to the General Bond Resolution.

Outstanding Parity Bonds

The table below sets forth the currently outstanding Bonds issued by the College under the General Bond Resolution.

Series of Bonds	Date of Issue	Year of Final Maturity	Original Principal Amount	Outstanding Principal Amount*
Higher Education Revenue Bonds, Series 2012A	2/1/12	2032	$25,630,000	$ 15,795,000
Higher Education Revenue Bonds, Series 2013A	5/1/13	2033	12,510,000	6,405,000
Academic and Administrative Facilities Revenue Bonds, Series 2013B	5/1/13	2034	24,835,000	19,415,000
Academic and Administrative Facilities Revenue Bonds, Series 2014A	12/1/14	2044	54,255,000	48,555,000
Higher Education Revenue Bonds, Series 2017A	1/31/17	2037	42,705,000	36,950,000
Academic and Administrative Facilities Revenue Bonds, Series 2017B	1/31/17	2037	31,345,000	27,120,000
Academic and Administrative Facilities Refunding Revenue Bonds, Series 2021A	3/31/21	2037	24,075,000	24,075,000
Total				$178,315,000

* As of June 30, 2021. Does not include Series 2021B Bonds.

The Series 2012A Bonds, the Series 2013A Bonds, the Series 2013B Bonds, the Series 2014A Bonds, the Series 2017A Bonds, the Series 2017B Bonds and the Series 2021A Bonds (collectively, the "Outstanding Bonds"), together with the Series 2021B Bonds and any Additional Bonds issued pursuant to the General Bond Resolution, are collectively referred to herein as the "Bonds."

Pledge of Net Revenues

The Bonds, and the interest thereon, are not a debt of the College, nor a charge, lien or encumbrance, legal or equitable, upon any property of the College or upon any income, receipts or revenues of the College other than the Net Revenues pledged by the General Bond Resolution to the payment thereof. No recourse shall be had for the payment of the Bonds, or the interest thereon, or any part thereof, against the general fund of the State, nor shall the credit or taxing powers of the State be deemed to be pledged to the payment of the principal of and interest on the Bonds. The full faith, credit and taxing powers of the State are not pledged to the payment of the principal of and interest on the Bonds.

Pursuant to the General Bond Resolution, the Series 2021B Bonds, together with the interest thereon, shall be payable solely from and secured equally and ratably by a lien upon the Net Revenues which consist of the Revenues, after deducting the Operation and Maintenance Expenses.

The term "Revenues" means collectively, the sum of (a) all receipts, income, revenues, fees and other charges to be levied and collected in connection with, and all other income and receipts of whatever kind or character derived by the College from the operation of the Higher Education Facilities, including interest earnings and other earnings on investments, computed in accordance with generally accepted accounting practices excluding the proceeds of any grants or debt, contributions in aid of construction, gains or losses on extinguishment of debt, and extraordinary items, and (b) all other available revenues of the College designated by the Board of Trustees as Revenues hereunder and thereby pledged to the payment of Bonds issued hereunder.

Currently, the Revenues consist of all receipts, income, revenues, fees and other charges to be levied and collected in connection with the Higher Education Facilities, and $622 of the $906 per semester full-time student "capital improvement fee" which is subject to change at the discretion of the Board of Trustees (the "Capital Improvement Fee") imposed on a per student per semester basis.

The term "Operation and Maintenance Expenses" means the current expenses, paid or accrued, of operation, maintenance and current repair of the Higher Education Facilities, as calculated in accordance with sound accounting practice, and includes, without limiting the generality of the foregoing, management fees due to any operator of all or any portion of the Higher Education Facilities, the cost of salaries, wages, employee benefits, cost of materials and supplies, cost of routine repairs, renewals, replacements and alterations occurring in the usual course of business, cost of billings and collections, cost of insurance, costs of audits, and taxes, if any. Operation and Maintenance Expenses do not include any allowance for depreciation or renewals or replacements of capital assets of the Higher Education Facilities.

The term "Higher Education Facilities" means land, buildings or other improvements to real property and equipment for the purpose of providing facilities for the College, including, but not limited to, dormitories, apartment buildings, dwelling houses, bookstore and other college operated stores, laundry, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other nondegree educational facilities and similar auxiliary facilities of the College and any other facilities which are auxiliary to any of the foregoing, and designated by the Board of Trustees to be part of the Higher Education Facilities, excluding however, athletic department projects which primarily serve varsity athletic teams of the College.

The Higher Education Facilities currently consist of (i) all student and faculty housing facilities, (ii) all food service facilities; and (iii) all parking facilities of the College. See "THE HIGHER EDUCATION FACILITIES" herein.

Rate Covenant

The College covenants and agrees in the General Bond Resolution that it shall operate the Higher Education Facilities in an efficient and economical manner and shall establish, levy, maintain, revise and collect such fees, rates and other charges for the use of the services furnished by the Higher Education Facilities as may be necessary or proper, which fees, rates, and other charges, together with other Revenues and other available moneys, shall for each Fiscal Year be at least sufficient after making due and reasonable allowances for contingencies and for a margin of error in estimates, to provide an amount not less than (a) the amount required to be deposited into the Operation and Maintenance Fund for the then current Fiscal Year; (b) one hundred ten percent (110%) of the amounts required to be deposited into the Debt Service Fund; (c) the amount required to be deposited into the Debt Service Reserve Fund; (d) the amount required to be deposited into the Capital Improvements Fund; and (e) the amount necessary to comply in all respects with the terms of the General Bond Resolution or any other contract or agreement with the Holder of a Bond. See "Actual Revenues and Expenses for the Higher Education Facilities and Other Revenues" under this heading for Revenues, Operation and Maintenance Expenses, and the percentage of Net Revenues to Debt Service for each of the past five Fiscal Years.

The College covenants and agrees punctually to pay, out of the Net Revenues pledged to such payment, the principal of, redemption premium, if any, and the interest on each and every Bond issued under the provisions of the General Bond Resolution, at the place, on the dates and in the manner provided therein.

Additional Bonds

Non-Refunding Bonds. At any time and from time to time, one or more Series of Bonds (exclusive of refunding Bonds) may be issued for such purposes as may be permitted by the Acts in such principal amounts as may be determined by the Board of Trustees for the purpose of paying all or part of the Costs of Acquisition and Construction of one or more Projects authorized to be financed under the Acts with Bonds. See "THE COLLEGE - Anticipated Capital Needs" herein for a description of anticipated capital needs and the plans of the College to issue Additional Bonds.

Bonds issued upon compliance with the General Bond Resolution shall be issued on a parity in all respects inter sese, notwithstanding that they may be in different form, and bear different dates, interest rates, number, date of issuance or date of execution; and in all such instances, the pledge of Net Revenues made under the General Bond Resolution, and the covenants and remedies granted thereby shall be applicable and available to the Holders of the Bonds.

A. Before Additional Bonds may be issued, there shall be filed with the College a certificate of the Trustee stating (i) either (a) that no Default exists in the payment of the principal of, premium, if any, or interest on any Bonds, and all mandatory sinking fund redemptions, if any, required to have been made shall have been made, or (b) that the application of the proceeds of sale of the Series of Bonds to be issued as required by the Supplemental Resolution authorizing their issuance will cure any such Default or permit such redemptions; and (ii) either (a) that to the knowledge of the Trustee, the College is not in Default under the terms and provisions of the General Bond Resolution in any manner properly within the purview of the Trustee, or (b) setting forth the circumstances of each such Default known to the Trustee.

B. Before Additional Bonds may be issued, there shall be filed with the Trustee a certificate of the chief financial officer of the College stating (i) either (a) that no Default exists in the payment of the principal of, premium, if any, or interest on any Bonds and all mandatory sinking fund redemptions, if any, required to have been made shall have been made, or (b) that the application of the proceeds of sale of the Series of Bonds to be issued as required by the applicable Supplemental Resolution authorizing their issuance will cure any such Default or permit such redemptions; and (ii) either (a) that to the best of his knowledge, the College is not in Default in the performance of any other of its covenants and agreements contained in the General Bond Resolution, or (b) setting forth the circumstances of each such Default known to him.

C. If a certificate filed pursuant to paragraph (A) or (B) above should disclose a Default or Defaults under the General Bond Resolution, there shall be filed with the Trustee an opinion of counsel of recognized standing in the field of municipal bond law and satisfactory to the Trustee that, in the case of any Default disclosed in a certificate filed pursuant to paragraph (A) or (B) above, each such Default does not deprive the Bondholders of the security afforded by the General Bond Resolution in any material aspect.

D. Before Additional Bonds may be issued to finance the Cost of Acquisition and Construction, or a portion thereof, of any Projects, there shall be filed with the Trustee a report, based on the most recent audit of the College, from the chief financial officer of the College stating that the amount of the Net Revenues for the most recent Fiscal Year (the "Test Period") is not less than one hundred ten percent (110%) of the Maximum Debt Service for any succeeding Bond Year of Bonds then Outstanding and the Bonds then proposed to be issued, provided the amount of Net Revenues for such Bond Year may be adjusted by adding the following:

(1) in case the rates and charges for the Higher Education Facilities shall have been increased and such increased rates and charges shall have gone into effect prior to the delivery of the Bonds proposed to be issued, the additional amount of Net Revenues which would have been realized during the Test Period if such rates and charges had been in effect during such Test Period as attested to the Trustee by the Financial Advisor;

(2) in case any existing facility is to be acquired and combined or made a part of the Higher Education Facilities from the proceeds of the Bonds proposed to be issued, the additional amount of Net

Revenues which would have been realized during the Test Period if such existing facility to be acquired had been a part of the Higher Education Facilities during such Test Period (which computation of the additional amount of Net Revenues shall be based upon the method of computing Net Revenues under the General Bond Resolution and approved by the Financial Advisor); and

(3) if the Board of Trustees shall have designated additional available revenues of the College to be part of the Revenues prior to the delivery of the Bonds proposed to be issued, the additional amount of Net Revenues which would have been realized during the Test Period if such available revenues had been so designated during the Test Period.

E. Such Bonds shall be issued to secure funds to defray the cost of acquiring, improving, extending, enlarging, or repairing the Higher Education Facilities, some part thereof, including any acquisition of any facilities which shall be combined with or consolidated into the Higher Education Facilities pursuant to law; or to refund Bonds or any notes, bonds, or other obligations issued to finance or to aid in financing the acquisition, construction, improvement, enlargement or repair of the Higher Education Facilities or other facilities to be combined with the Higher Education Facilities.

F. There shall be on deposit in the Debt Service Reserve Fund cash and securities or an insurance policy, surety bond or letter of credit, as provided in the General Bond Resolution (inclusive of any proceeds of such Bonds to be deposited in the Debt Service Reserve Fund) having an aggregate value not less than the Reserve Fund Requirement with respect to all Bonds to be then Outstanding and the Bonds then proposed to be issued.

Refunding Bonds. Without complying with the provisions described in "Non-Refunding Bonds" above except as otherwise provided herein, the College by means of a Supplemental Resolution may issue under the General Bond Resolution refunding Bonds as described in either paragraph A or B as follows:

A. Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity or prior to any sinking fund installment due date, the Bonds maturing on such date (or an amount of Bonds subject to redemption from such sinking fund installments not in excess of the amount of Bonds required to be redeemed on such due date) for the payment of which sufficient Revenues are not available. Any Bonds issued for such purpose shall mature (or sinking fund installments therefor shall commence) not earlier than the latest stated maturity of any Bond not then refunded to be Outstanding after such refunding.

B. Bonds may be issued at any time for the purpose of refunding (including by purchase) Bonds, including amounts to pay principal, redemption premium and interest to the date of redemption (or purchase) of the refunded Bonds and the Costs of Issuance; provided that (i) in any year in which Bonds Outstanding as of the date of issuance of such refunding Bonds shall remain Outstanding, the Debt Service on all Bonds not then to be refunded and such refunding Bonds shall not be greater in any year than would have been the Debt Service of all Bonds not then refunded and the Bonds to be refunded or (ii) the requirements described in paragraphs (A),(B),(C),(D) and (F) of "Non-Refunding Bonds" herein are met with respect to the refunding Series.

Special Facilities Bonds

The College shall also have the right to issue, from time to time, Special Facilities Bonds to defray the costs of acquiring or constructing Special Facilities subject to the following conditions:

A. The Board of Trustees shall determine that the receipts, income, revenues and other charges to be levied and collected in connection with the Special Facilities shall be at least equal to: (i) the estimated costs of operating and maintaining such Special Facilities; (ii) the principal and interest requirements of the Special Facilities Bonds; (iii) the amounts to be deposited in any reserve funds; and (iv) any other costs and expenses relating to such Special Facilities.

B. The receipts, income, revenues, fees and other charges derived from the operation of the Special Facilities shall be segregated from the Revenues.

C. The debt service payments and other costs and expenses related to such Special Facilities shall not be paid from Revenues.

D. The issuance of Special Facilities Bonds shall not have a detrimental effect on the Higher Education Facilities or impair the security afforded to the Bondholders.

The College has no outstanding and no current plans to issue Special Facilities Bonds.

Establishment of Funds and Disposition of Revenues

The following are the funds and accounts created and established by the General Bond Resolution:

(i) Revenue Fund to be held by a Custodian designated by the Board of Trustees (who may be the Trustee);

(ii) Operation and Maintenance Fund to be held by a Custodian designated by the Board of Trustees (who may be the Trustee);

(iii) Debt Service Fund to be held by the Trustee, including an Interest Account and Principal Account;

(iv) Debt Service Reserve Fund to be held by the Trustee;

(v) Capital Improvements Fund to be held by a Custodian designated by the Board of Trustees (who may be the Trustee);

(vi) Rebate Fund to be held by a Custodian designated by the Board of Trustees (who may be the Trustee); and

(vii) Construction Fund to be held by a custodian designated by the Board of Trustees (who may be the Trustee).

One or more accounts may, by direction of the Board of Trustees or by the terms of a Supplemental Resolution, be established within any of the above funds. It is intended by the General Bond Resolution that the funds established thereunder (other than the Construction Fund) shall remain in existence for so long a time as any sum remains due and payable by way of principal of and interest on the Bonds, and that deposits and withdrawals therefrom be made in the manner and in the order of priority prescribed by the General Bond Resolution.

Provision for Operation and Maintenance. In the General Bond Resolution, the College covenants and agrees with the Holders of the Bonds that, so long as any of the Bonds remain Outstanding and unpaid, adequate provision shall be made for the cost of operation and maintenance of the Higher Education Facilities, and the Revenues derived from the Higher Education Facilities shall be first used to pay the cost of Operation and Maintenance Expenses.

Other than the Debt Service Fund, the Debt Service Reserve Fund and the Construction Fund, the designation and establishment of the various funds in and by the General Bond Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of the Revenues for certain purposes and to establish certain priorities for application of such Revenues.

Other than the Debt Service Fund, the Debt Service Reserve Fund and the Construction Fund, the cash required to be accounted for in each of the foregoing funds may be deposited in a single bank account, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash in and deposit therein for the various purposes of such funds. While the State Treasurer of South Carolina is serving as Trustee, all of the Funds and Accounts required under the General Bond Resolution may be maintained and segregated within one or more state designated accounts maintained by the State Treasurer.

Revenue Fund. In the General Bond Resolution, there is established a Revenue Fund to be maintained by a Custodian and into which shall be deposited all Revenues. Moneys in the Revenue Fund shall be made use of only in the manner and in the order of priority specified in the General Bond Resolution. The College may invest moneys held in the Revenue Fund, from time to time, in Investment Securities; provided, however, that the College shall make available to the Trustee funds in the Revenue Fund on the 20th day of each month sufficient to make all transfers required to be made from the Revenue Fund.

So long as the College maintains proper accounting records for receipts and disbursements for the Revenue Fund, the Revenue Fund may be used for the purposes of the Operation and Maintenance Fund.

The covenants and agreements to be performed by the College shall be for the equal and proportionate benefit, security and protection of all Holders of the Bonds without preference, priority or distinction as to payment or security or otherwise (except as to maturity) of any of the Bonds for any reason or cause whatsoever, except as expressly provided for in the Bonds, and, except as aforesaid, all Bonds shall rank pari passu and shall be secured equally and ratably without discrimination or preference whatsoever.

Operation and Maintenance Fund. In the General Bond Resolution, there is established an Operation and Maintenance Fund to be maintained by a Custodian in order to provide for the payment of all Operation and Maintenance Expenses.

Provision shall be made first for the transfers required to be made into the Operation and Maintenance Fund. There shall be transferred from the Revenue Fund by a Custodian into the Operation and Maintenance Fund, a sum which has been currently determined by the College to be sufficient to provide for the Operation and Maintenance Expenses for the ensuing month in accordance with the Annual Budget. Withdrawals from the Operation and Maintenance Fund shall be made as required by the College from time to time in accordance, as nearly as may be practicable, with the Annual Budget.

Debt Service Fund. In the General Bond Resolution, there is established a special fund of the College to be designated as "College of Charleston Higher Education Facilities Debt Service Fund" (the "Debt Service Fund"). The Debt Service Fund shall be kept on deposit with the Trustee, and withdrawals therefrom shall be made for the purposes provided in the General Bond Resolution or any Supplemental Resolution.

The Debt Service Fund is intended to provide for the payment of the principal of, redemption premium, if any, and interest on each Series of Bonds as the same respectively fall due. Payments into this fund shall be made in the manner prescribed by the General Bond Resolution and all moneys in the Debt Service Fund shall be used solely to pay the principal of, redemption premium, if any, and interest on each Series of Bonds, and for no other purpose, and withdrawals therefrom shall be made only to effect payment of the principal of, redemption premium, if any, and interest on each Series of Bonds. Earnings on investments in the Debt Service Fund, including the accounts therein, shall be transferred by the Trustee to the Revenue Fund.

Not later than the 20th day of the month following the month in which each Series of Bonds is delivered to the initial purchasers thereof, and not later than the 20th day of each month thereafter, there shall be paid into the Debt Service Fund from the moneys remaining in the Revenue Fund, the amounts hereinafter set forth.

(a) In the General Bond Resolution, there is created, for the purpose of paying the interest on each Series of Bonds as the same becomes due and payable, an Interest Account in the Debt Service Fund. Not later than the 20th day of the month following the month in which each Series of Bonds is delivered to the initial purchasers thereof, and not later than the 20th day of each month thereafter, the Trustee shall pay into the Debt Service Fund for credit to the Interest Account an amount (until the moneys on deposit therein equal the amount needed) such that, if the same amount is credited to the Interest Account not later than the 20th day of each calendar month preceding the next date upon which an installment of interest falls due on each Series of Bonds, the aggregate of the amounts so paid and credited to the Interest Account would on such date be equal to the installment of interest then falling due on each Series of Bonds then Outstanding. In making any of the credits to the Interest Account required by this paragraph (a), consideration shall be given to and allowance made for accrued interest received upon delivery of each Series of Bonds to the initial purchasers and for any other credits otherwise made to such Account.

(b) In the General Bond Resolution, there is created, for the purpose of paying the principal of Bonds as they mature or become payable by way of redemption (whether mandatory, optional or cumulative), a Principal Account in the Debt Service Fund. Not later than the 20th day of the month following the month in which the Bonds are delivered to the initial purchasers thereof, and not later than the 20th day of each month thereafter, the Trustee shall pay into the Debt Service Fund to the credit of the Principal Account an amount such that, if the same amount were credited to the Principal Account on or before the 20th day of each succeeding month and prior to the next date upon which an installment of principal falls due on each Series of Bonds at maturity or upon redemption, the aggregate of the amounts so paid and credited to the Principal Account would on such date be equal to the installment of principal then falling due.

(c) If, on the dates when the payments required by paragraphs (a) and (b) above are to be made, the aggregate of (i) the payments required by said paragraphs (a) and (b); (ii) previous monthly payments; and (iii) the remaining payments to be made prior to the succeeding date on which principal or interest, or both, as the case may be, will be due and payable, will be less than the sum required to effect the payment of the succeeding installment of principal or interest, or both, as the case may be, a sum, derived from Revenues, moneys in the Debt Service Reserve Fund or bond insurance payments, if any, equal to such deficiency shall be added to the payment to be made pursuant to said paragraphs (a) and (b).

Moneys in the Debt Service Fund shall be used and applied solely to the payment of the interest on and the retirement of the principal of and redemption premium, if any, on the Bonds. The moneys paid into the Debt Service Fund shall be held by the Trustee in trust solely for the purpose of paying the interest on and the retirement of the principal of and redemption premium, if any, on the Bonds and withdrawals from said Fund shall be made by the Trustee in order to transfer such moneys to the Paying Agent for the Bonds. Such withdrawals shall be made so that the necessary moneys shall be available to the Paying Agent not later than one (1) business day prior to the day on which principal or interest or both, and redemption premium, if any, as the case may be, are payable on the Bonds.

Debt Service Reserve Fund. In the General Bond Resolution, there is established a special fund of the College to be designated as "College of Charleston Higher Education Facilities Debt Service Reserve Fund" (the "Debt Service Reserve Fund"). The Debt Service Reserve Fund shall be kept on deposit with the Trustee.

For a description of the Debt Service Reserve Fund, see "Appendix C – Certain Provisions of the Resolution - Debt Service Reserve Fund." The Series 2021B Bond Resolution has not provided for a deposit to the Debt Service Reserve Fund in connection with the issuance of the Series 2021B Bonds. **There are no moneys or surety bonds currently on deposit in the Debt Service Reserve Fund that are expected to be available to pay debt service on the Series 2021B Bonds, nor any other Series of the Outstanding Bonds, in the event that moneys on deposit in the Debt Service Fund are insufficient for that purpose.**

Capital Improvements Fund. In the General Bond Resolution, there is established a Capital Improvements Fund. The Capital Improvements Fund shall be maintained by a Custodian designated by the Board of Trustees (which may be the Trustee).

The Board of Trustees shall deposit from time to time into the Capital Improvements Fund, an amount determined in the Annual Budget prepared for the Higher Education Facilities. Moneys in the Capital Improvements Fund shall be used solely for the purpose of restoring or replacing depreciated or obsolete properties of the Higher Education Facilities, paying the cost of improvements, betterments and extensions to the Higher Education Facilities, other than those necessary to maintain the Higher Education Facilities in good repair and working order, and for the payment of extraordinary maintenance and repairs, provided, however, if necessary, moneys in the

Capital Improvements Fund may be used to fund any deficiency in the Debt Service Fund or Debt Service Reserve Fund and used for any of the purposes for which such Funds were established.

Application of Remaining Revenues. Any surplus Revenues remaining in the Revenue Fund after the above required payments have been made may be disposed of by the Board of Trustees as it may determine from time to time to be for any lawful purpose related to the Higher Education Facilities.

Investment of Funds. Moneys held for the credit of the Debt Service Fund shall be invested, to the fullest extent practicable and reasonable, in Investment Securities which shall mature prior to the respective dates when the moneys held for the credit of such Fund will be required for the purpose intended. Moneys in any other funds established by the General Bond Resolution shall be invested, to the fullest extent practicable, in Investment Securities, maturing at such times and in such amounts as shall be required to provide moneys to make the payments required to be made from such funds. Investment instructions shall be given to the Trustee or other depositary by the College either orally or in writing (and if orally, promptly confirmed in writing).

The Trustee or other depositary shall evaluate on a quarterly basis Investment Securities in the various funds established by the General Bond Resolution and forward such evaluation to the College. If as a result of such evaluation, there is a shortage in the amount or amounts to be deposited in such fund or funds, the College shall replenish such funds to the required levels within twelve (12) months of such shortage.

The value of Investment Securities shall be determined by the Trustee or other depositary at market value.

Except interest earnings in the Construction Fund and the Rebate Fund, all interest earnings when realized shall be deposited or transferred to the Revenue Fund. Expenses of purchase, safekeeping, sale and redemption and all other expenses attributable to such investments shall constitute Operation and Maintenance Expenses.

Sale, Lease or Other Encumbrances. The College has covenanted in the General Bond Resolution that it will not issue any bonds, notes, certificates or other obligations or evidences of indebtedness other than the Bonds or obligations authorized by the General Bond Resolution secured by a pledge of the Revenues, and it will not create or cause to be created any lien or charge on the Revenues other than the liens and charges created or permitted to be created by the General Bond Resolution, and no part of the Higher Education Facilities will be sold, mortgaged, leased or otherwise disposed of or encumbered; provided, however, the College may from time to time permanently abandon the use of, sell, trade or lease any property forming a part of the Higher Education Facilities, but only if there shall be filed with the Trustee prior to such abandonment, sale or lease a certificate, signed by the Chairman of the Board of Trustees and in the case of (b) below approved by the Financial Advisor, stating:

(a) that the College is not then in default in the performance of any of the covenants, conditions, agreements, or provisions contained in the General Bond Resolution, and

(b) that the Net Revenues for the preceding Fiscal Year, after giving effect to such abandonment, sale or lease and any replacement and after adjustment to reflect the moneys which would have been received if the rate schedule in effect on the date of such certificate had been in effect throughout such Fiscal Year, are not less than one hundred ten percent (110%) of the Debt Service for such preceding Fiscal Year. Amounts received from any such sale or disposition shall be deposited in the Revenue Fund, to be applied as are other moneys in that fund, provided, however, the certificate referred to herein shall not be required if the Financial Advisor certifies that such property is no longer necessary or useful or profitable in the operation of the Higher Education Facilities, or necessary to produce or maintain sufficient Revenues, or which is to be or has been replaced by other property so as not to impair the operation of the Higher Education Facilities.

THE HIGHER EDUCATION FACILITIES

Currently, the Higher Education Facilities consist of (i) all student and faculty housing facilities, (ii) all food service facilities, and (iii) all parking facilities of the College.

Housing Facilities

The College owns three apartment style and seven traditional style residence halls and leases one apartment style complex consisting of three buildings. The College also owns seventeen and leases seven historic houses which are used to provide housing for students. Housing fees are tiered and based on the type of facility. Tier I includes Craig Hall, Buist Rivers, and College Lodge. Tier 2 includes Berry Hall and McConnell Hall. Tier 3 includes McAlister Hall, Rutledge Rivers, and Historic houses. Tier 4 includes Kelly House, Warren Place, George, and Liberty Street residence halls.

Housing facilities double occupancy room rates for the current and past four academic years are as follows:

Student Housing Rate Structure

Academic Year	Per Semester	Per Academic Year	Amount Increased	Percentage Increased
2021-2022				
Tier 1	$ 3,000	$ 6,000	$ - 0-	0.0%
Tier 2	3,400	6,800	-0-	0.0%
Tier 3	3,800	7,600	-0-	0.0%
Tier 4	4,500	9,000	-0-	0.0%
2020-2021				
Tier 1	3,000	6,000	- 0-	0.0%
Tier 2	3,400	6,800	350	5.4%
Tier 3	3,800	7,600	600	8.6%
Tier 4	4,500	9,000	-0-	0.0%
2019-2020				
Tier 1	3,000	6,000	-0-	0.0%
Tier 2	3,225	6,450	-0-	0.0%
Tier 3	3,500	7,000	-0-	0.0%
Tier 4	4,500	9,000	-0-	0.0%
2018-2019				
Tier 1	3,000	6,000	-0-	0.0%
Tier 2	3,225	6,450	-0-	0.0%
Tier 3	3,500	7,000	-0-	0.0%
Tier 4	4,500	9,000	-0-	0.0%
2017-2018				
Tier 1	3,000	6,000	-0-	0.0%
Tier 2	3,225	6,450	-0-	0.0%
Tier 3	3,500	7,000	-0-	0.0%
Tier 4	4,500	9,000	-0-	0.0%

Historical
Housing Facilities Revenues and Expenses
Fiscal Years 2016-2020

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Revenues:					
Residence Halls	$20,949,945[1]	$26,686,330	$25,513,967[4]	$26,679,028	$24,782,152[6]
Investment Income	274,269	194,343	143,689	111,454	98,382
Total	$21,224,214	$26,880,673	$25,657,656	$26,790,482	$24,880,534
Expenses:					
Salary & Benefits	$ 3,477,390	$ 3,646,038	$ 3,383,117	$ 3,497,357	$ 3,885,581
Student Labor	605,528	738,670	594,782	494,269	511,991
Utilities	2,344,760	2,456,264	2,959,634	3,050,343	3,048,562
Telephone	35,223	36,787	59,702	48,323	14,026
Other Contractual Services	4,608,971	4,969,623[2]	3,927,902	3,621,664	2,866,723[7]
Supplies	957,713	1,362,377	1,575,365[5]	706,792	591,450
Rent & Insurance / Fixed Chgs	2,311,888	2,184,553	2,180,934	2,151,998	2,271,725
Equipment	-0-	277,027[3]	(959)	16,252	-0-
Travel	16,908	15,548	14,134	8,104	11,418
Intradepartmental Expense	(1,422,715)	(1,273,556)	(1,337,655)	(1,260,850)	(1,232,174)
Total	$12,935,666	$14,413,331	$13,356,956	$12,334,252	$11,969,302
Net Revenues	$ 8,288,548	$12,467,342	$12,300,700	$14,456,230	$12,911,232

(1) Residence halls closed 3/23/20 due to COVID-19; pro-rated refunds totaling $3,676,828 issued.
(2) NoMo rental of 29 beds; fire alarm panel upgrade for Warren Place; ResNet increase effective 1/1/19.
(3) Parcel locker purchase and installation for residential student mail service.
(4) Occupancy down due to dip in enrollment.
(5) Purchased new appliances and common room furniture for Warren Place; new common room furniture for Kelly House and all historic houses except Greek.
(6) Converted private rooms at 10 Warren and Kelly House to doubles.
(7) Removed telephone lines from student rooms.

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Housing Occupancy History

Fall Semester	Normal Occupancy	Occupancy Opening Day	Percent Occupancy
2020	2,244[1]	2,098	93.5%
2019	3,375	3,249	96.3%
2018	3,424	3,363	98.2%
2017	3,409	3,310	97.1%
2016	3,404	3,353	98.5%

(1) Residence halls occupancy reduced by approximately 35% to reduce risk of COVID-19 transmission in residence halls and to provide 101 quarantine beds and isolation beds.

The residence hall facilities are rented during the summer to students, athletic camps, Spoleto performers and other groups that visit the Charleston area. Total revenues for the past five summers (including student revenues) are stated below:

Fiscal Year	Summer Revenue
2019-2020	$246,847[1]
2018-2019	812,831
2017-2018	669,288
2016-2017	726,606
2015-2016	914,370

(1) No 2020 summer housing due to COVID-19.

Food Service Facilities

The College of Charleston has three residential dining facilities:

- The Liberty Street Fresh Food Company opened in fall 2007 and is the largest dining facility on the campus for meal plan use.
- City Bistro, located in Berry Residence Hall, is the second residential all-you-care-to eat restaurant, and it reopened after an extensive renovation in January 2019.
- Marty's Place, located in The Sylvia Vlosky Yaschik Jewish Studies Center, is a residential restaurant that opened in January 2015. This location serves made-to-order vegan and vegetarian dishes in a kitchen that follows Kosher dietary laws.

Dining Services operates eight retail outlets on campus including the following: Chick-fil-A; Einstein Bros. Bagels; Market 159; 3 PODs (Provisions on Demand) located in classroom buildings; Starbucks; and the Stern Center food court.

The operations of on-campus food services are contracted with ARAMARK, and the College is currently in the sixth year of a seven-year contract.

The charges for each semester-long meal plan and for individual meals for the past four academic years and for the current year are as follows:

Charges for Meal Plans Per Semester

Meal Plan	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
All Access + $100 Dining $$	$2,100	$2,100	$2,050	$1,950	$1,950
All Access + $300 Dining $$	$2,275	$2,275	$2,225	$2,110	$2,110
12 Meals/Week + $275 Dining $$	$1,950	$1,950	$1,900	$1,840	$1,840
160 Meals/Semester + $200 Dining $$	$1,600	$1,600	$1,550	$1,450	$1,450
120 Meals/Semester + $200 Dining $$	$1,300	$1,300	$1,250	$1,200	$1,200
80 Meals/Semester + $125 Dining $$	$ 860	$ 860	$ 840	$ 810	$ 810
40 Meals/Semester + $150 Dining $$	$ 515	$ 515	$ 510	$ 500	$ 500
20 Meals/Semester Reload	$ 185	$ 185	$ 185	$ 175	$ 175
25 Meals/Semester for Faculty/Staff	$ 160	$ 160	$ 160	$ 155	$ 155

All freshmen living in campus housing are required to participate in a meal plan with a minimum of 12 Meals Per Week+ 275 Dining $$. All meal plans include dining dollars to provide maximum flexibility to students.

Total students enrolled in a meal plan for the past five years are as follows:

Fall 2020	2,319[(1)]
Fall 2019	3,491
Fall 2018	3,678
Fall 2017	3,654
Fall 2016	3,751

[(1)] Lower meal plan sales due to de-densification of residence halls and fewer students on campus because of COVID-19.

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Historical
Food Service Revenues and Expenses
Fiscal Years 2016-2020

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Revenues:					
Revenues	$11,290,557[(1)]	$13,560,391	$12,919,536[(3)]	$13,790,804[(4)]	$12,121,290[(5)]
Investment Income	12,799	11,776	9,260	7,075	4,695
Total	$11,303,356	$13,572,167	$12,928,796	$13,797,879	$12,125,985
Expenses:					
Salary & Benefits	$ 1,468	$ 2,369	$ -0-	$ -0-	$ -0-
Food Service Contract - Aramark	8,828,437[(2)]	10,943,462	10,064,615[(3)]	10,617,351	10,396,999[(4) (5)]
Utilities & Other Contractual Services	1,337,483	1,389,310	1,167,516	1,249,987	891,596
Rent & Insurance	714,501	696,194	681,251	663,378	631,743
Supplies	42,364	48,176	62,207	40,436	49,285
Equipment	46,655	2,427	6,400	6,566	-0-
Intradepartmental Expense	(484,133)	(724,578)	(610,621)	(595,186)	(570,353)
Total	$10,486,775	$12,357,360	$11,371,368	$11,982,532	$11,399,270
Net Revenues	$ 816,581	$ 1,214,807	$ 1,557,428	$ 1,815,347	$ 726,715

(1) Dining operation suspended 3/23/20 due to COVID-19; pro-rated refunds totaling $1,669,454 issued.
(2) Billing reductions totaling $1,261,999 due to COVID-19 suspension of on campus operations.
(3) Mandatory meal plan sales down due to dip in freshmen enrollment.
(4) Meal plan sales up by approximately 200 each of Fall & Spring semesters; Aramark payments net of $101,388 amortization settlement.
(5) All Access plans increase by 32% over 2014-15.

Parking Facilities

Currently the College owns a 513-space parking garage and a 639-space parking garage, as well as 21 surface lots containing 383 spaces. In addition, the College leases three lots containing 134 spaces and assigns 42 residential on-street parking spaces. The College also has an agreement with the City of Charleston for the use of up to 200 spaces in the Aquarium Garage and up to 120 spaces in George Street Garage.

The College's Wentworth Garage is located on land that is owned by the City, and we have a long-term agreement for use of the land. This agreement requires us to split the revenue generated by the garage with the City. The College retains 80% of net revenue and gives the City the remaining 20%.

Parking fees are based on the facility type, user, and facility location. Fees for the current and past four academic years are as follows:

Parking Fees Per Academic Year 2017-2018 to 2021-2022

	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Employee					
Core Surface	$ 650	$ 650	$ 650	$ 650	$ 600
Core Garage	750	750	750	750	750
Perimeter Garage	600	600	600	600	525
Perimeter Surface	300	300	300	300	250
Motorcycle	175	175	175	175	150
Evening Surface	125	125	125	125	125
Evening Core Garage	200	200	200	200	200
Accessible	300	300	300	300	250
PG Afternoon/Evening	450	450	450	450	*
Student					
Core Surface	$1,400	$1,400	$1,400	$1,400	$1,150
Core Garage	1,500	1,500	1,500	1,500	1,250
Perimeter Garage	1,250	1,250	1,250	1,250	950
Perimeter Surface	700	700	700	700	575
Premium Core Garage	1,900	1,900	1,900	1,900	1,500
Motorcycle	500	500	500	500	450
Evening Surface	500	500	500	500	400
Evening Core Garage	600	600	600	600	475
Accessible	725	725	725	725	600

*Parking not offered during applicable academic year.

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Historical
Parking Revenues and Expenses
Fiscal Years 2016-2020

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Revenues:					
Revenues	$1,994,170[1]	$2,667,855	$2,593,029[2]	$2,831,202	$2,842,524[5]
Investment Income	56,831	9,818	6,705	5,309	6,237
Total	$2,051,001	$2,677,673	$2,599,734	$2,836,511	$2,848,761
Expenses:					
Salary & Benefits	$ 197,345	$ 258,163	$ 253,190	$ 226,737	$ 241,638
Contract Services	1,331,810	1,400,440	1,503,405[3]	1,403,377[4]	1,204,575[6]
Travel	55,030	1,640	3,001	-0-	-0-
Supplies	32,703	241,491	63,179	61,774	47,681
Rental Expense	75,715	75,657	75,335	-0-	119,420[7]
Other Fixed Charges	11,985	30,627	8,807	103,750	28,550
Equipment	-0-	-0-	-0-	-0-	5,794
Intradepartmental Expense	(289,591)	(298,587)	(298,314)	(278,578)	(273,848)
Total	$1,414,997	$1,709,431	$1,608,603	$1,517,060	$1,373,810
Net Revenues	$ 636,004	$ 968,242	$ 991,131	$1,319,451	$1,474,951

(1) Pro-rated refunds totaling $130,800 issued to students, employee fee adjustments totaling $223,103 from 3/23/20 to 6/30/20, no PG transient fees from 3/23/20 to 6/30/20. WG transient revenue down 3/23/20 to 6/30/20 due to COVID-19.
(2) PG transient revenue down due to self-pay credit card readers being offline as part of PCI certification project.
(3) Includes WG revenue share $148k.
(4) AG/GG subsidy $310k due to city rate increases.
(5) Student and Employee Fee increases; WG revenue share $102k included as contractual services vs. reduction to revenue.
(6) AG subsidy $65k; WG revenue share $102k included as contractual services vs. reduction to revenue.
(7) YWCA Lot lease for Fall 2015 and Spring 2016.

Parking Facilities Occupancy Rates

	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2020 % Occupancy
Employee						
Core Surface	229	227	234	237	191	80.3%
Perimeter Surface	4	23	25	23	19	63.3%
Student						
Core Surface	255	262	268	197	185	93.4%
Perimeter Surface	31	26	45	40	17	34.0%
Employee & Student						
Aquarium Garage	178	185	193	195	91	45.5%
George Garage	120	115	119	119	120	100.0%
St Philip Garage	469	467	508	495	342	67.7%
Wentworth Garage	364	381	377	362	197	56.3%

Decline in permit sales in Fall 2020 due to COVID-19; many employees working remotely and students learning online.

Capital Improvement Fee

The Capital Improvement Fee (unpledged and pledged portions) is a mandatory student fee currently set at $906 per student per semester. Upon the issuance of the Series 2021A Bonds, the portion of the Capital Improvement Fee pledged as Revenues under the General Bond Resolution will be adjusted from $483 per student per semester to $622 per student per semester. The Board of Trustees has reserved the right to reduce the amount of the Capital Improvement Fee so long as the Additional Bonds test and rate covenant of the General Bond Resolution are met.

Currently the unpledged portion of the Capital Improvement Fee is being used for deferred maintenance on College facilities, and/or cash funding other projects or facilities.

Total pledged Capital Improvement Fee revenues for the fiscal year 2021-2022 are estimated to be $11,979,745. Prior fiscal year pledged Capital Improvement Fee collections and rates are as follows:

Fiscal Year	Capital Improvement Fee Pledged Revenues	Pledged Fee per Student per Semester
2021	$9,177,375	$483
2020	9,370,544	483
2019	9,621,753	483
2018	9,698,069	483
2017	10,126,892	483

Actual Revenues and Expenses for the Higher Education Facilities and Other Revenues

The table below sets forth actual Revenues (including the portion of the Capital Improvement Fee pledged as security for the Bonds) and Expenses of Operation and Maintenance (within the meaning of such terms in the General Bond Resolution) for the past five Fiscal Years, together with actual Debt Service and the Debt Service Coverage Ratio.

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Revenues					
Housing	$21,224,214	$26,880,673	$25,657,656	$26,790,482	$24,880,534
Food Service	11,303,356	13,572,167	12,928,796	13,797,879	12,125,985
Parking	2,051,001	2,677,673	2,599,734	2,836,511	2,848,761
Capital Imprvmt Fee	9,370,544	9,621,753	9,698,069	10,126,892	10,136,321
Total	$43,949,115	$52,752,266	$50,884,255	$53,551,764	$49,991,601
Expenses					
Housing	$12,935,666	$14,413,331	$13,356,956	$12,334,252	$11,969,302
Food Service	10,486,775	12,357,360	11,371,368	11,982,532	11,399,270
Parking	1,414,997	1,709,431	1,608,603	1,517,060	1,373,810
Total	$24,837,438	$28,480,122	$26,336,927	$25,833,844	$24,742,382
Net Revenues	$19,111,677	$24,272,144	$24,547,328	$27,717,920	$25,249,219
Bond Debt Service	$15,185,190	$15,179,645	$15,841,170	$16,443,926	$16,448,270
Debt Service Coverage	126%	160%	155%	169%	154%

Debt Service Requirements

Debt service on the Series 2021B Bonds, now being offered, together with actual debt service for the Outstanding Bonds is set forth in the following table:

Fiscal	Series 2021B Bonds		Outstanding Bonds		Combined		Total
Year	Principal	Interest	Principal	Interest	Principal	Interest	
2022			$ 8,055,000	$ 6,817,840			
2023			8,410,000	6,446,006			
2024			8,795,000	6,072,506			
2025			9,195,000	5,668,356			
2026			9,585,000	5,272,406			
2027			10,000,000	4,845,056			
2028			10,400,000	4,443,363			
2029			10,825,000	4,020,650			
2030			11,260,000	3,574,238			
2031			11,650,000	3,185,850			
2032			12,060,000	2,773,344			
2033			10,735,000	2,372,388			
2034			10,420,000	2,030,538			
2035			8,890,000	1,693,650			
2036			9,350,000	1,410,613			
2037			9,295,000	1,094,700			
2038			2,455,000	775,600			
2039			2,555,000	677,400			
2040			2,655,000	575,200			
2041			2,760,000	469,000			
2042			2,875,000	358,600			
2043			2,985,000	243,600			
2044			3,105,000	124,200			
Total			$ 178,315,000	$ 64,945,103			

Note: Totals may not add due to rounding.

THE COLLEGE

History and Description

The College is a nationally recognized, public liberal arts and sciences university located in the heart of Charleston, South Carolina. It is among the nation's top universities for education, student life and affordability. The College offers a combination of a beautiful and historic campus, modern facilities and cutting-edge programs. Students from more than 50 states and U.S. territories and 63 countries choose the College for its small college atmosphere together with the advantages and diversity of an urban, midsized university.

The College was founded in 1770 and was the first municipal college in the United States. On July 1, 1970, the College, which throughout most of its history had been a small institution, became an integral part of the higher education system of the State. On that date, the Board of Trustees of the College transferred the College and all of its properties to the State which had been authorized by the General Assembly of the State to acquire the College and operate it as a State-supported institution of higher learning. Upon becoming a State institution, the College was initially governed by the State College Board of Trustees, which also governed two other State-supported colleges. In 1988, the General Assembly of the State provided for the creation of separate boards of trustees for each State-supported institution, and the Board of Trustees became the governing body of the College.

After the Board of Trustees assumed control of the College on July 1, 1970, the College grew rapidly. The College is now the largest educational institution in the Lowcountry of the State and the third largest college in the State. Increases in the numbers of students and faculty have been coupled with development and expansion of the College campus. Since becoming a State-supported college in 1970, the campus has grown from approximately 7 acres to currently over 450 acres, the enrollment from 1,040 to 10,545, the roster faculty from 52 to 511, course offerings from 200 to 2,150, and the permanent staff from 72 to 988.

Mission Statement

Founded in 1770, the College of Charleston is a public university grounded in the principles of the liberal arts and committed to developing ethically centered, intellectually versatile and globally fluent citizens who create innovative solutions to social, economic, and environmental challenges.

Located in the heart of historic Charleston, South Carolina, the College of Charleston is a nationally recognized public liberal arts and sciences university. The College is among the nation's top universities for quality education, student life and affordability. The College's beautiful and historic campus, combined with contemporary facilities, cutting-edge programs and accessible faculty attracts students from across the U.S. and around the world.

Over 10,000 undergraduates and approximately 1,000 graduate students at the College enjoy a small-college feel blended with the advantages and diversity of a mid-sized, urban university. They work closely with a committed faculty, made up of more than 500 distinguished teacher-scholars. And the city of Charleston – world-renowned for its history, architecture, culture and coastal environment – serves as a living and learning laboratory for experiences in business, science, technology, teaching, the humanities, languages and the arts.

In addition to offering a broad range of baccalaureate degree programs, the College incorporates the University of Charleston, South Carolina (UCSC), established by State statute in 1992, which serves as a research institution where the graduate and research programs associated with the College are housed. UCSC provides master's degree programs and anticipates offering a limited number of doctoral degrees should location and need warrant. The College also provides an extensive credit and non-credit continuing education program and cultural activities for residents of the Lowcountry of South Carolina.

The College seeks applicants capable of successfully completing degree requirements and pays particular attention to identifying and admitting students who excel academically. The College serves a diverse student body from its geographic area and also attracts students from national and international communities. The College provides students a community in which to engage in original inquiry and creative expression in an atmosphere of intellectual freedom. This community, founded on the principles of the liberal arts tradition, provides students the opportunity to realize their intellectual and personal potential and to become responsible, productive members of society.

The Mission Statement (also called the Statement of Purpose) has been approved or revised by the State College Board of Trustees or the College of Charleston Board of Trustees on January 16, 1974; March 12, 1986; January 16, 1991; February 15, 1994; July 13, 2006; July 23, 2014; and May 7, 2020.

The College is a member of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), the American Association of State Colleges and Universities, Society for College and University Planning, Council for Higher Education Accreditation, and the American Council on Education. It is a charter member of the Southern University Conference, a member of the American Association of University Women, and is also on the approved list of the Association of American Universities.

The College's accreditation was reaffirmed in 2017 by the Southern Association of Colleges and Schools Commission on Colleges and the College is currently preparing its fifth-year interim report to submit in 2023. It is an equal opportunity institution.

Organization and Administration

The Board of Trustees consists of 20 members, two members from each of the State congressional districts and three members at-large elected by the South Carolina General Assembly, the Governor or his/her designee, one other member appointed by the Governor from the State at-large, and one member appointed by the Governor upon the recommendation of the College of Charleston Alumni Association. The table below sets forth the current trustees, their places of residence, and the dates of expiration of their current terms.

The President of the College is the chief executive and administrative officer and is appointed by the Board of Trustees.

Andrew T. Hsu became the 23rd president of the College, effective November 28, 2018, and formally took office on May 16, 2019. Before joining the College, Mr. Hsu was the provost and executive vice president for academic affairs at The University of Toledo, a public research university in Ohio with 21,000 students, 220 bachelor's and master's degree programs and 40 doctoral programs. In this role, Mr. Hsu led the University of Toledo through a strategic planning process and oversaw its implementation. Through a campus-wide effort, the strategic plan implementation resulted in significant progress in student success, research and scholarly activities, and fundraising. Before becoming provost and executive vice president at Toledo, Mr. Hsu served as the dean of engineering at San Jose State University and as the associate vice president for research and the dean of the Graduate School at Wright State University. Throughout his career, Mr. Hsu has remained actively engaged in the community. He is currently the chair of the Board of Governors for Rocket Innovation (a Toledo nonprofit). He has also served on the Leadership Council of CalCharge (a statewide nonprofit organization in California), the Board of

Governors of Edison Materials Technology Center in Dayton (Ohio), the Board of Governors of the University Clean Energy Alliance of Ohio, and was appointed by Governor Mitch Daniels as chair of the Indiana Bioproduct Commission. As a faculty member, Mr. Hsu exemplifies the faculty-scholar model. He has received numerous teaching awards as a professor, maintained a continuously funded research lab for 15 years and published 98 refereed journal and conference articles. He is a fellow of the American Council on Education (ACE) and is an associate fellow of the American Institute of Aeronautics and Astronautics (AIAA). Mr. Hsu earned his Ph.D. in aerospace engineering from Georgia Institute of Technology in 1986. He then worked in industry for 11 years with Sverdrup/NASA and Rolls-Royce, where he developed unique industry perspectives and leadership skills, before joining academia in 1997.

The administration of the College is divided into several areas, each headed by an executive administrator responsible to the president.

The Executive Administrators are:

Suzanne Austin – Provost and Executive Vice President for Academic Affairs. Ms. Austin began this position in July 2020. In this capacity, Ms. Austin serves as the chief academic officer of the College and is a key member of the president's senior staff. She oversees academic programs, faculty affairs and many academic support functions, and works to ensure that the College fulfills its institutional mission and goals. Before joining the College, Ms. Austin served as senior vice provost and senior international officer at the University of Alabama at Birmingham (UAB), a public research university with 23,000 students and $600 million in external research funding. In this role, Ms. Austin led UAB's strategic internationalization efforts through the Office of Global Engagement that includes the INTO UAB Center, International Education, International Student and Scholar Services and Education Abroad. She also led the Offices of Faculty Affairs, Service Learning and Undergraduate Research, the Center for Teaching and Learning and the Quality Enhancement Plan (QEP), the UAB Writing Center, National and International Fellowships and Scholarships and UAB Army ROTC. In addition, she led strategic initiatives to enhance UAB's online offerings and increase enrollments through the Division of eLearning and Professional Studies. Before becoming senior vice provost and senior international officer at UAB, Austin served in several senior administrative positions at the University of Delaware including interim dean of the College of Education, associate provost for academic affairs, divisional dean for the Social Sciences in the College of Arts and Sciences, and chair of the Department of Art. Ms. Austin has been awarded an American Council on Education Fellowship and a Bryn Mawr Institute for Women Leaders Fellowship. She has also earned certification from the Society for College and University Planning. Ms. Austin has been actively engaged in community service, particularly in the area of workforce development. While at UAB, she served as a board member and member of the executive committee for the regional workforce council for central Alabama. Ms. Austin also served on the education and workforce steering committees for the United Way of Birmingham, and she chaired the Workforce Development Committee for the Birmingham Business Alliance. Ms. Austin holds a Ph.D. in history from Duke University, an M.A. in history from the University of North Carolina at Chapel Hill, and a B.A. in English/journalism from North Carolina State University.

John F. Loonan – Executive Vice President for Business Affairs and Chief Financial Officer. Mr. Loonan began this position in June 2020. In this capacity, Mr. Loonan provides leadership to the Division of Business Affairs, made up of the Budget and Finance Department that includes Payroll, Budget, Treasurer and Controller; the Purchasing and Contracting Department; Facilities Management; Office of Human Resources; Public Safety; Campus Services, which includes student residential housing and dining, parking services, real estate management and Sottile Theater, as well as internal audit operations. Mr. Loonan holds a bachelor's degree in business administration - accounting, from Siena College in Loudonville, New York, and a master's degree in business administration from Rensselaer Polytechnic Institute in Troy, New York. Prior to joining the College, Mr. Loonan worked for Bloomsburg University in Pennsylvania for seven years, serving as vice president for finance and administration. Before that, he served as vice president of finance and fiscal services at the College of Nanoscale Science and Engineering, now SUNY Polytechnic, and president of Fuller Road Management Corporation, SUNY Poly's property and building management corporation

Alicia D. Caudill - Executive Vice President for Student Affairs. Ms. Caudill began this position in July 2015. In this role, Ms. Caudill provides leadership to the Division of Student Affairs, made up of the Office of the Dean of Students, Residence Life, Counseling and Substance Abuse Services, the Career Center, the Higdon Student Leadership Center, Victim Services, Upward Bound and Pre-College Programs, Fraternity and Sorority Life, Disability Services, Student Life, Student Health Services, Campus Recreation Services, Multicultural Student Programs and Services, and the Center for Civic Engagement. Ms. Caudill also holds an adjunct faculty appointment at the College, The Citadel and the University of Georgia. Ms. Caudill holds a bachelor's degree in public relations from Otterbein University in Westerville, Ohio; a master's degree in student personnel services from the University of South Carolina; and a doctorate in college student affairs administration from the University of Georgia. Her research interests include families of college students and women in higher education. Prior to joining the College, Caudill worked for the University System of Georgia for 13 years, serving as the associate vice president for student life at the University of West Georgia and the dean of students at Gainesville State College (now the University of North Georgia), as both the associate vice president for student affairs and dean of students and director of student activities. Caudill has also held positions at Florida Southern College, Lambuth University and Mercer University. Caudill served on the Board of Trustees and the Alumni Council at Otterbein University.

Catheryn H. Mahon - Interim Executive Vice President of Institutional Advancement and Interim Executive Director of the College of Charleston Foundation. Ms. Mahon leads an organization of professionals engaged in a coordinated, campus-wide approach to university development, alumni relations, stewardship and advancement services. Ms. Mahon is also responsible for overseeing institutional funds management and growing the endowed funds held for the College by the College of Charleston Foundation. Ms. Mahon works in close partnership with the President, Provost, executive team, deans and volunteer boards. Five years after graduating from the College with a degree in education, Ms. Mahon started work in Alumni Affairs. Following that work, she has served as director of Annual Giving, the Parent Advisory Council and the Major Gifts Department. Ms. Mahon has also been responsible for advancement of the Development Program as Associate Vice President. As Associate Vice President of Development, Ms. Mahon served as a member of the campaign management team. She was responsible for contributing to the design and execution of the campaign and the achievement of fundraising results for BOUNDLESS, the College of Charleston's largest-ever comprehensive fundraising campaign, which ran from 2008 to 2016. BOUNDLESS surpassed its goal of $125 million by raising more than $138 million. Ms. Mahon has participated in Leadership Charleston and served on the Women in Business board, the Early Childhood Education board and as a national accreditor for early childhood education centers. Ms. Mahon has organized and led sessions and webinars for the Educational Association for Boards (EAB), the Council for Advancement and Support of Education (CASE) as well as the Association for Fundraising Professionals (AFP) and organized a national conference for the National Parent Fundraising Organization.

Angela B. Mulholland – General Counsel. Ms. Mulholland has served as the College's General Counsel since June, 2015. In her capacity as General Counsel, she manages and oversees legal matters involving the College. In addition, she provides legal guidance regarding both federal and state regulatory matters, including ethics laws impacting employees, employment law matters, policy matters, tort law matters, and matters involving the Board of Trustees. General Counsel and her staff also provide advice regarding interpretation and application of state law, contracts, as well as providing advice regarding procedure concerning internal policies and other legal matters. Prior to coming to the College, Ms. Mulholland was an Area Attorney for SCDSS, supervising DSS legal offices for one-third of the State, both designing and implementing operational protocol for the legal offices within her region, as well as supervising twenty-five (25) attorneys and additional support staff, maintained within the legal departments of fifteen (15) counties within the Coastal region of South Carolina. Prior to that, Ms. Mulholland had a broad-ranging private law practice for many years, handling cases involving a wide variety of legal matters in the private sector. She has also been a presenter at numerous seminars regarding various legal issues over her career. Ms. Mulholland has been a practicing attorney in good standing with the State for over thirty-three (33) years, graduating from the University of South Carolina School of Law in 1983. She has also served on the South Carolina Education Lottery Commission (2001-2004), acting as Secretary for the Commission from 2003-2004; as well as having continuously served on the Lowcountry Citizens Committee on Judicial Qualifications since 2001. Mulholland is an active member in good standing of the South Carolina Bar Association, the Charleston County Bar association, as well as the National Association of College and University Attorneys (NACUA).

Faculty Members

For the 2020-21 academic year, statistics reported as of Fall 2020, the College had a total full-time faculty of 511 and 298 part-time faculty.

The distribution by rank of the permanent faculty at the College for the past nine academic years, and the current year, is shown below:

Academic Year	Professors	Associate Professors	Assistant Professors	Instructors	Total	% Tenured
2020-21	149	189	115	58	511	68%
2019-20	153	187	127	59	526	67%
2018-19	147	179	147	60	533	66%
2017-18	154	176	139	53	522	67%
2016-17	154	178	145	54	531	66%
2015-16	152	178	163	55	548	64%
2014-15	143	170	170	59	542	63%
2013-14	144	166	167	58	535	65%
2012-13	138	159	166	56	519	64%
2011-12	140	156	165	60	521	62%

Eighty-eight percent (88%) of the permanent faculty hold a terminal degree. The student/faculty ratio (in full time equivalents) for the 2020-21 academic year, reported as of fall 2020, was approximately 15:1.

Staff Members

The College staff is presently comprised of 879 full-time employees and 109 part-time employees (per IPEDS Human Resources, employees on the payroll as of November 1, 2020).

Enrollment

The following table provides the enrollment at the College for full-time, part-time and summer session students for the past five academic years. All enrollment figures are for the fall semester except where noted for summer sessions.

	2020	2019	2018	2017	2016
Full-Time Equivalent Students[(1)]	9,402	9,575	9,855	9,824	10,257
Full-Time Student Headcount	8,754	9,025	9,358	9,342	9,815
Part-Time Student Headcount	1,630	1,520	1,425	1,521	1,479
Full-Time Equivalent Summer Semester	1,391	1,274	1,284	1,364	1,379

(1) The full-time equivalent is a standard method used in determining student attendance and is derived by dividing the total semester hours for which students are enrolled by the number of hours required to constitute a student as a full-time student. At the College, full-time students consist of those students taking fifteen hours or more in the Undergraduate Programs and those taking twelve hours or more in the Graduate Program.

The goal of the College has been to stabilize fall undergraduate enrollments at approximately 10,000 full-time equivalent students with approximately 65% in state and 35% out-of-state (actual fall 2020 was 64% /36%).

Undergraduate Admissions and Headcount Statistical Data

Year	Applications	Acceptances	Acceptances as a Percentage of Applications	Matriculations	Matriculations as a Percentage of Acceptances
Fall 2021	20,484	15,588	76.1%	2,440†	15.7%†
Fall 2020	15,214	11,307	74.3%	2,052	18.1%
Fall 2019	11,783	9,230	78.3%	2,051	22.2%
Fall 2018	11,675	9,254	79.3%	2,199	23.8%
Fall 2017	11,900	9,574	80.5%	1,840	19.2%
Fall 2016	10,828	9,110	84.1%	2,349	25.8%
Fall 2015	11,722	9,043	77.1%	2,237	24.7%
Fall 2014	11,179	8,722	78.0%	2,166	24.8%
Fall 2013	11,533	8,331	72.2%	2,116	25.4%
Fall 2012	11,510	8,098	70.4%	2,138	26.4%

† Projected.

Tuition and Fee Schedule Per Semester

Academic Years	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
College Fees	$4,459	$4,459	$ 4,459	$ 4,402	$ 4,269
Tuition Fees	-0-	-0-	-0-	35	35
Capital Improvement Fee	906	906	906	878	844
Athletics	664	664	664	664	639
Health Services	85	85	85	85	75
Student Activities	85	85	85	85	77
ECollective Fee	10	10	10	10	10
Security Fee	50	50	50	50	50
TOTAL IN-STATE	$6,259	$6,259	$ 6,259	$ 6,209	$ 5,999
Out-of-State Differential	10,730	10,165	10,165	9,591	9,194
TOTAL OUT-OF-STATE	$16,989	$16,424	$16,424	$15,800	$15,193

The Buildings and Grounds

Established by the State General Assembly in 1785, the College is located in the center of the downtown peninsular area of the City of Charleston, South Carolina, which is a major east coast commercial seaport and a nationally known tourist and convention destination. The College is located two miles from Interstate 26 and U.S. Highway 17. The College's main campus comprises approximately 11 city blocks bounded by Vanderhorst, St. Philip, Wentworth and Coming Streets. The College continues to acquire properties adjacent to its core campus as they become available.

The College's physical inventory is comprised of 154 owned or leased facilities totaling over 3.6 million square feet. The College's main campus is in downtown Charleston, which houses administrative, academic, residential, and athletic facilities. Fifty-five percent of the buildings on the main campus are over 100 years old. The average building on the College's main campus is 110 years old.

The College's main downtown campus is within the city's historic district, which is governed by strict regulations on use, construction, demolition, and alteration. Approximately 90 buildings are considered historic, many of which were former private residences. Given the historic composition of the core campus area, extensive demolition and site clearing for new construction is not possible, and restoration and maintenance of existing buildings, primarily former residences, is highly regulated. Zoning ordinances also regulate the height and mass of buildings.

Beyond its historic main campus, the College utilizes several satellite locations to fulfill its academic programming, support services, and administrative needs.

- Located six miles from the downtown campus, the Patriots Point Athletic Complex is home to the baseball, softball, tennis, soccer, and sailing teams.

- The Grice Marine Laboratory Complex is an off-campus instructional location located on the Charleston Harbor on James Island, SC, 7.5 miles from the main campus. The Grice Complex supports the marine science undergraduate and the graduate teaching programs as well as faculty and student research efforts.

- The College restored the 881-acre Stono Preserve, formerly known as Dixie Plantation, to its original purpose as a "conservationist's classroom." The College of Charleston Foundation owns the land with all capital investments made and owned by the College. Capital improvements include two field research stations, a multipurpose meeting/classroom facility, and exhibit space.

- Other ancillary sites include a warehouse in North Charleston, a golf practice facility in Hollywood and a building in Trujillo, Spain.

Recent Capital Improvements

The Sottile Theatre, which was built in 1927 and serves as a teaching laboratory and event venue for the campus and larger Charleston community, reopened in 2020 after a stage upgrade renovation that included expansion of the stage area and the replacement of the original hemp rigging system with a standard counter balance system. The original murals in the auditorium area that were damaged due to the overlay of acoustical materials in the mid-1900s were also restored.

The City Bistro, consisting of approximately 7,800 square feet and serving an average of 2,000 meals a day, was reconfigured to maximize food prep and back of house space and to facilitate heavy traffic flow in the front of house dining areas. Additionally, outdoor dining areas were expanded to include 165 seats and a covered area with fans and heaters to provide comfortable outdoor seating year-round.

The HVAC system at McConnell Residence Hall was replaced to include replacement of the distribution pipe system and all HVAC equipment. Lighting and plumbing fixtures were also replaced.

The historic Knox Lesesne House was fully renovated to become the Center for Sustainable Development. The project sensitively restored historic elements while incorporating wheelchair access, new infrastructure and cutting-edge technology to deliver solar power as well as multiple water and energy saving features.

Capital Improvements in Progress

The Physical Plant, housing Facilities Management, received a substantial interior renovation to complement the exterior renovation completed several years earlier. Interior demolition uncovered many original architectural elements from the original 1850 construction as a casket factory, which are featured in the renovated facility. Phase One of the project was completed in January 2021 and Phase Two is scheduled to be complete in September 2021.

The Simons Center for the Arts Renovation project will provide for the renovation and expansion of the Simons Center for the Arts, which was originally constructed in 1979. The building is in need of infrastructure renovation as well as alterations to meet current and future program needs.

A renovation of McAlister Residence Hall which houses 518 students will address building envelope issues, replacement of the mechanical system, and a cosmetic refresh.

The Wentworth Garage project will include structural improvements, modernization of elevators, replacement of the access control system, as well as the restriping of parking spaces.

Anticipated Capital Needs

Future improvement projects are prioritized through a five-year Comprehensive Permanent Improvement Plan (CPIP). In addition to campus-wide infrastructure repairs, The top priorities of the CPIP include:

Residence Halls-College Lodge and Berry Residency Hall are currently under study, and the College anticipates moving these projects into the design phase within the next year.

Addlestone Library-In addition to exterior repairs, this project will maintain quiet study and volume stacks on the upper floors but transform first level study areas into collaborative learning zones. Improved space utilization enables the College's Rivers Communications Museum to move to the Library from it current, closed location.

Stern Student Center-This project will reimagine the Student Center as a dynamic, inviting and collaborative environment. Exterior work will address water intrusion and activation of the George Street façade with increased access, transparency and inviting views of greenspace behind the facility. Interior work will transform the inoperable two-level pool area into a two-level multifunction ballroom/assembly space with reclaimed space underneath for student activities.

These facilities may be funded by a combination of (i) Higher Education Facilities Revenue Bonds, (ii) Academic and Administrative Facilities Revenue Bonds, (iii) capital improvement bonds, (iv) state institution bonds, (v) private gifts, (vi) unpledged portion of the Capital Improvement Fee, (vii) renovation reserve funds, and (viii) auxiliary enterprise funds.

DEBT STRUCTURE OF THE COLLEGE

Outstanding Debt

The College's debt consists of the following categories:

(1) General Obligation State Institution Bonds of the State of South Carolina ("State Institution Bonds"), which are secured by a pledge of the full faith, credit and taxing power of the State, and in addition, by a pledge of tuition fees collected at the College. State Institution Bonds are issued by the State on behalf of the College.

(2) Revenue Bonds secured by a pledge of Net Revenues under the General Bond Resolution.

(3) Other Liabilities.

The following table reflects the categories of outstanding long-term obligations of the College as of June 30, 2021.

Category of Indebtedness	Amount Outstanding
State Institution Bonds	$ -0-
Revenue Bonds	178,315,000
Total	$ 178,315,000

Debt Payment Record

There has been no default in the payment of principal or interest on any bonds issued by or on behalf of the College. The College has never borrowed for the purpose of avoiding a default, nor has the College borrowed for the purpose of paying the cost of operations or for funding a deficit.

OTHER FINANCIAL MATTERS

Summary of Revenues and Expenses

The Summary of Revenues, Expenses, and Changes in Net Position of the College in the table on the following page should be reviewed together with the College's audited financial statements as a whole for Fiscal Years ended June 30 for each of the years 2016, 2017, 2018, 2019, and 2020 including but not limited to the reports of the College's independent accountants and the notes to such Financial Statements. The Financial Statements as of June 30, 2020, and for the year then ended are included in "Appendix A" hereto.

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Summary of Revenues and Expenses
(Dollars in Thousands)

	2020	2019	2018	2017	2016
Revenues:					
Tuition and Fees(1)	$152,606	$150,549	$145,609	$146,297	$143,541
Federal, State, and Local Grants and Contracts	26,598	29,125	27,903	28,777	29,411
Auxiliary Services(1)	42,846	51,249	50,067	52,123	48,189
Other	3,614	3,650	3,702	3,408	3,665
Total Operating Revenues	$225,664	$234,572	$227,282	$230,605	$224,806
State Appropriations	$ 30,965	$ 27,156	$ 25,664	$ 26,209	$ 22,597
Federal, State, and Local Grants and Contracts	18,002	11,888	11,824	11,024	10,708
Gifts	4,874	4,014	4,094	4,054	3,957
Auxiliary Enterprises Interest Income	743	425	-0-	5	-0-
Interest/Investment Income	3,364	3,030	614	719	992
Nongovernmental Grants and Contracts	8	31	117	71	162
Capital Appropriations	774	608	554	643	864
Capital Gifts	-0-	-0-	1,500	657	178
Other Nonoperating Revenue	-0-	-0-	-0-	26	16
Total Nonoperating Revenues	$ 58,730	$ 47,152	$ 44,368	$ 43,408	$ 39,475
Total Revenues	$284,395	$281,724	$271,650	$274,013	$264,281
Expenses:					
Personnel Cost	$113,691	$111,792	$108,207	$107,957	$109,372
Benefits	53,347	45,571	46,381	40,155	36,784
Supplies and Services	66,095	75,549	66,155	64,546	62,609
Utilities	7,269	7,572	9,068	8,802	8,678
Scholarships and Fellowships	20,366	15,777	15,801	15,859	15,828
Depreciation	17,622	17,328	15,778	15,658	14,924
Total Operating Expenses	$278,389	$273,590	$261,391	$252,977	$248,196
Interest and Amortization Expense on Capital Assets & Related Debt	$ 7,147	$ 7,507	$ 5,821	$ 10,423	$ 7,663
Auxiliary Enterprises Investment Loss	-0-	-0-	61	-0-	-0-
Loss on Sale or Disposal of Assets	35	108	135	-0-	4
Total Nonoperating Expenses	$ 7,181	$ 7,615	$ 6,018	$ 10,423	$ 7,667
Total Expenses	$285,570	$281,205	$267,409	$263,400	$255,863
Change in Net Position	$ (1,176)	$ 519	$ 4,241	$ 10,612	$ 8,417
Net Position, Beginning	21,234	20,715	182,567	171,955	163,538
Prior Period Adjustment	-0-	-0-	(166,094)	-0-	-0-
Net Position, Ending	$ 20,058	$ 21,234	$ 20,715	$182,567	$171,955

Notes: - Amounts are expressed in thousands.
- Totals may not add due to rounding.

(1) Net of Scholarship Discounts & Allowances.

Source: Condensed Statement of Revenues, Expenses, and Changes in Net Position, MD&A, Comprehensive Annual Financial Report.

State Support and its Effect

Percentage of State Appropriations to Total Revenue of College
(amounts expressed in thousands)

Fiscal Year	Total Revenues	State Appropriations	Percentage of State Appropriations to Total Revenues
2020	$283,621	$30,965	10.92%
2019	281,116	27,156	9.66%
2018	269,595	25,664	9.52%
2017	272,712	26,209	9.61%
2016	263,238	22,597	8.58%

Note: Total Revenue is reported net of scholarship discounts and allowances, excludes capital appropriations, capital improvement bond proceeds and capital gifts.

While not having returned to pre-recession levels, the College has seen a gradual increase in the amount of funding from state appropriations over the last five years.

As state funding has leveled, the College has been able to moderate increases in tuition and fees which is the most significant source of revenue. Over the past five years, tuition and fees for an in-state undergraduate student has increased by $566 or 9.94%. Likewise, over the same period, tuition and fees for out-of-state undergraduate students has increased by $2,217 or 15.01%. These increases average 1.94% per year for in-state and 2.85% per year for out-of-state. The in-state increase is below the average increase for South Carolina public research and comprehensive teaching colleges and universities. The College remains diligent in its attempt to contain costs and thereby make an outstanding education affordable for students and parents.

The College's Board of Trustees approved its Strategic Plan in May 2020. The plan outlines seven core values: integrity; academic excellence; liberal arts education; diversity, equity & inclusion; student-centeredness; innovation; and public mission.

In order to achieve its envisioned future, the College has identified the following goals that will enable it to combine the personalized, student focus of a small teaching institution with the breadth of curricular, co-curricular and extracurricular opportunities of a research university.

Goal 1: Ensure an effective support system that increases retention and graduation rates and enables students to learn and grow in every aspect of their College experience, preparing them to work and lead in a globally connected world.

Goal 2: Become ranked as a national university distinguished by the College’s innovative liberal arts core and high-achieving students and alumni.

Goal 3: Create an inclusive workplace that inspires excellence and innovation resulting in a thriving faculty and staff community.

To develop and maintain the College as a top-level institution of higher education with national standing, it will be necessary to continue to find alternative sources of revenue to finance operations and to achieve strategic goals. To achieve this goal, the College will continue to engage in a number of strategies, including the refinement of a financial model that strategically aligns intuitional priorities with available resources; continued aggressive external fundraising; attention to securing grant funding for teaching, research, and related activities; and careful management of enrollment and tuition.

Budget Process

The College prepares, on an annual basis, a budget that provides reasonable estimates of revenues and expenditures. The budgetary process encompasses all operating budgets of the College, to include educational and general activities, the operations of auxiliary enterprises, all sponsored-program activities, and all capital projects. Executive management, academic officials, and department heads develop a programmatic budget which addresses mandated spending increases, inflationary costs, and strategic investments informed by the College's strategic plan. The proposed budget is presented to the Board of Trustees for approval. Using a comprehensive account classification and tracking system, the responsibility for budgetary control rests at the departmental level with appropriate oversight provided by the executive management of the College.

Finally, the College prepares annual budgetary reports that are available to the General Assembly of South Carolina and the public for review. These reports provide information that demonstrates the ability of the College to accomplish its mission in a manner that ensures legislative compliance and prudent management of public funds.

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Budget for Fiscal Year 2022

	Approved 2021-2022 Budget
REVENUE	
Unrestricted Revenue	$184,324,568
Designated Revenue	
Student Clubs and Sporting Clubs	$ 1,554,939
Campus Recreation Services	160,000
Non-Degree Education/Other Programs	1,000,000
Total Designated Revenue	$ 2,714,939
Total E&G Revenue	$187,039,507
Auxiliary Revenue	$ 71,658,474
Restricted Revenue	
Federal Government Grants & Contracts	$ 5,500,000
State, Local, Nongovernmental Gifts, Grants & Contracts	1,150,000
Federal Student Aid (Pell, SEOG, FWS, Scholarships)	12,500,000
Total Restricted Revenue	$ 19,150,000
Total Revenue	$277,847,981
EXPENSES	
Unrestricted Expenses	$183,116,153
Designated Expenses	
Instruction	$ 500,000
Research	250,000
Public Service	250,000
Student Services	1,714,939
Total Designated Expenses	$ 2,714,939
Total E&G Expenses	$185,831,092
Auxiliary Expenses	$ 71,658,474
Restricted Expenses	
Instruction	$ 175,000
Research	5,750,000
Public Service	525,000
Student Services	200,000
Student Aid	12,500,000
Total Restricted Expenses	$ 19,150,000
Total Expenses	$276,639,566

Pension Plans

The Retirement Division of the South Carolina Public Employees Benefits Authority maintains five independent defined benefit plans and issues its own publicly available Comprehensive Annual Financial Report ("Retirement System CAFR") which includes financial statements and required supplementary information. A copy of the most recent separately issued Retirement System CAFR and other financial information may be accessed at www.peba.sc.gov. Furthermore, the Division and the five pension plans are included in the CAFR of the State.

Article X, Section 16 of the South Carolina Constitution requires that all State-operated retirement systems be funded on a sound actuarial basis. Title 9 of the Code of Laws of South Carolina Code 1976, as amended (the "State Code") prescribes requirements relating to membership, benefits, and employee/employer contributions for each pension plan. Employee and employer contribution rates for the South Carolina Retirement System and the Police Officers Retirement System are actuarially determined. Annual benefits, payable monthly for life, are based on length of service and on average final compensation.

South Carolina Retirement System. The majority of employees of the College are covered by a retirement plan through the South Carolina Retirement System ("SCRS"), a cost-sharing multiple-employer defined benefit pension plan administered by the Retirement Benefits Division of the South Carolina Public Employee Benefit Authority ("PEBA"), a public employee retirement system. Generally, all full time or part time equivalent State employees in a permanent position are required to participate in and contribute to the SCRS as a condition of employment unless exempted by law as provided in Section 9-1-480 of the State Code. This plan provides life time monthly retirement annuity benefits to eligible members as well as disability, survivor options, annual benefit adjustments, and incidental death benefits to eligible employees and retired members.

Police Officers Retirement System. The South Carolina Police Officers Retirement System ("PORS") is a cost-sharing multiple-employer defined benefit public employee retirement plan administered by PEBA. Generally, all full-time employees whose principal duties are the preservation of public order or the protection against or prevention and control of property destruction by fire are required to participate in and contribute to PORS as a condition of employment. This plan provides lifetime monthly annuity benefits as well as disability, survivor benefits, and incidental death benefits to eligible employees and retirees. In addition, participating employers in the PORS may elect to contribute to the accidental death program which provides annuity benefits to beneficiaries of police officers and firemen killed in the actual performance of their duties. These benefits are independent of any other retirement benefits available to the beneficiary.

Optional Retirement Program. As an alternative to membership in the SCRS, newly hired State employees may elect to participate in the Optional Retirement Program ("ORP"), a 401(a) qualified governmental defined contribution plan. The ORP was established in 1987 under Title 9, Chapter 20, of the State Code. The ORP provides retirement and death benefits through the purchase of individual fixed or variable annuity contracts which are issued to, and become the property of, the participants. The State assumes no liability for this plan other than for payment of contributions to designated companies.

ORP participation is available to all employees who meet all eligibility requirements for membership in the SCRS. To elect participation in the ORP, eligible employees must elect membership within their first thirty days of employment.

Under State law, both employee and employer contributions to the ORP are identical to the contribution rates of the SCRS.

Contributions. Contributions are prescribed in Title 9 of the State Code. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the State Fiscal Accountability Authority for approval an increase in the SCRS and PORS employer and employee contribution rates, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5.0 percent for PORS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the Board are insufficient to maintain a thirty-year amortization schedule of the unfunded liabilities of the plans, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

- Required employee contribution rates[(1)] are as follows:

	Fiscal Year 2020	Fiscal Year 2019
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
State ORP Employee	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

- Required employer contribution rates[(1)] are as follows:

	Fiscal Year 2020	Fiscal Year 2019
SCRS		
Employer Class Two	15.41%	14.41%
Employer Class Three	15.41%	14.41%
Employer Incidental Death Benefits	0.15%	0.15%
State ORP		
Employer Contribution[2]	15.41%	14.41%
Employer Incidental Death Benefits	0.15%	0.15%
PORS		
Employer Class Two	17.84%	16.84%
Employer Class Three	17.84%	16.84%
Employer Incidental Death Benefits	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

Contributions to the SCRS, ORP, and PORS pension plans from the College were $7,168,068, $6,093,638, and $355,111 for the year ended June 30, 2020, respectively. Contributions to the SCRS, ORP, and PORS pension plans were $6,484,239, $5,390,018, and $319,627 for the year ended June 30, 2019, respectively.

Deferred Compensation Plan. Several optional deferred compensation plans are available to State employees and employers of its political subdivisions. Certain employees of the College have elected to participate. The multiple-employer plans, created under Internal Revenue Code Sections 457, 401(k), and 403(b), are administered by third parties and are not included in the Comprehensive Annual Financial Report of the State of South Carolina. Compensation deferred under the plans is placed in trust for the contributing employee. The State has no liability for losses under the plans. Employees may withdraw the current value of their contributions when they terminate State employment. Employees may also withdraw contributions prior to termination if they meet requirements specified by the applicable plan.

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(1) Calculated on earnable compensation as defined in Title 9 of the State Code.

(2) Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

Teacher and Employee Retention Incentive. Effective January 1, 2001, Section 9-1-2210 of the State Code allowed employees eligible for service retirement to participate in the Teacher and Employee Retention Incentive ("TERI") Program. TERI participants may retire and begin accumulating retirement benefits on a deferred basis without terminating employment for up to five years. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly service retirement benefits which will include any cost of living adjustments granted during the TERI period. Participants who entered the TERI program prior to July 1, 2005, do not make SCRS contributions, do not earn service credit, and are ineligible to receive group life insurance benefits or disability retirement benefits. Participants who entered the TERI program as of July 1, 2005, or after are required to make SCRS contributions, but do not earn service credit and are ineligible to receive disability retirement benefits. The TERI Program was closed to new participants effective June 30, 2018.

Post Employment Benefits Other Than Pension

Plan Descriptions. The Other Post-Employment Benefits Trust Funds ("OPEB Trusts"), collectively refers to the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") and the South Carolina Long-Term Disability Insurance Trust Fund ("SCLTDITF"), and were established by the State pursuant to Act 195, which became effective in May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA – Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the State Code defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the State Code and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

Benefits. The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public-school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100 percent employer funding and 15-24 years of service for 50 percent employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public-school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policies. Section 1-11-710 of the State Code requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2019 was 6.05 percent. The South Carolina Retirement Systems collect the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the healthcare expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 74, this expenditure on behalf of the active employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of act4ibe employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was $3.22 for the fiscal year ended June 30, 2019. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

Insurance

The College is exposed to various risks of loss and maintains State or commercial insurance coverage for these risks. The College believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The College pays insurance premiums to certain other State agencies to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accordance with the insurance policy and benefit program limits.

The State believes it is more economical to manage certain risks internally and set aside assets for claim settlement. Several State funds accumulate assets, and the State itself assumes substantially all risks for the following:

(1) Claims of State employees for unemployment compensation benefits;

(2) Claims of covered employees for workers' compensation benefits; and

(3) Claims of covered employees for health, dental, long term disability, and group life insurance benefits.

In addition, the College pays premiums to the State's Insurance Reserve Fund which issues policies, accumulates moneys to cover the risks of loss, and pays claims related to the following assets and activities and/or events:

(a) Theft of, damage to, or destruction of assets

(b) Natural disasters

(c) Real property, its contents, and other equipment

(d) Motor vehicles

(e) Watercraft, artwork, and equipment (inland marine)

(f) Torts

(g) Medical malpractice claims against covered employees and students

(h) Business interruptions, and

(i) Data Processing.

The State's Insurance Reserve Fund is a self-insurer and reinsures for a portion of the coverage for these liabilities.

The College maintains commercial coverage for risks not insured by the IRF, such as commercial crime coverage for losses from employee theft, cyber liability coverage for cyber risks, and drone liability coverage.

Tort Liability and Insurance

The State Supreme Court, in the case of *McCall v. Batson* on April 18, 1985, abolished the doctrine of sovereign immunity in the State of South Carolina. In response to this decision, the South Carolina General Assembly in its 1986 session enacted the South Carolina Torts Claim Act which reestablished a qualified doctrine of sovereign immunity with respect to State and local government in South Carolina. Subject to specific immunity set forth in the South Carolina Tort Claims Act, State and local governments, including the College, are liable for damages not to exceed \$300,000 per incident/person and \$600,000 per occurrence (except in the case of physicians and dentists employed by local governments, for which the per incident limit is \$1,200,000). No punitive or exemplary damages are permitted under the South Carolina Tort Claims Act. Insurance protection to local government is provided by either the Insurance Reserve Fund, private carriers, self insurance or pooled insurance funds. The College currently maintains liability insurance coverage with the Insurance Reserve Fund.

LEGAL MATTERS

Litigation

No litigation is presently pending or, to the knowledge of the College, threatened in any court to restrain or enjoin the issuance or delivery or otherwise affect the validity of the Series 2021B Bonds or the pledge of the Net Revenues to the payment thereof, or in any way contesting or affecting the validity of the Series 2021B Bonds, or contesting the power or authority of the College to issue the Series 2021B Bonds or the Board of Trustees to adopt the Resolution.

The College is involved in a number of legal proceedings and claims with various parties arising in the normal course of business. However, the College's insurance should cover most potential liabilities should the College be found at fault, and these are not expected to have a material adverse effect on the financial position of the College.

United States Bankruptcy Code

The undertakings of the College should be considered with reference to Chapter 9 of the Bankruptcy Code, 11 U.S.C. 901, *et. seq*., as amended, and other laws affecting creditors' rights and certain public bodies generally. Chapter 9 permits a municipality, political subdivision, public agency, or other instrumentality of a state that is insolvent or unable to meet its debts as such debts mature to file a petition in the United States Bankruptcy Court for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of its creditors; provides that the filing of the petition under that Chapter operates as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; directs a petitioner to file a plan for the adjustment of its debts; permits the petitioner in its plan to modify the rights to payment of its creditors; and provides that the plan must be accepted in writing by or on behalf of creditors of each impaired class of claims holding at least two-thirds in amount and more than one-half in number of the creditors which have accepted or rejected the plan. The plan may be confirmed notwithstanding the negative vote of one or more classes of claims if the court finds that the plan is in the best interest of creditors, is feasible, and is fair and equitable with respect to the dissenting classes of creditors. A petitioner has the right to reinstate indebtedness under its plan according to the original maturity schedule of such indebtedness notwithstanding any provision in the documents under which the indebtedness arose relating to the insolvency or financial condition of the debtor before the confirmation of the plan, the commencement of a case under the Bankruptcy Code, or the appointment of or taking possession by a trustee in a case under the Bankruptcy Code or by a receiver or other custodian prior to the commencement of a case under the Bankruptcy Code.

Legal Proceedings

The legal proceedings relating to the issuance of the Series 2021B Bonds were subject to the approval of the Burr Forman McNair, Charleston, South Carolina, whose approving opinions will be furnished without charge to the purchasers of the Series 2021B Bonds at the time of their delivery. The forms of Bond Counsel's opinions are set forth in Appendix B to this Official Statement. Certain legal matters will be passed upon for the College by Angela B. Mulholland, Esq., as General Counsel to the College. Howell Linkous & Nettles, LLC, Charleston, South Carolina, is serving as Disclosure Counsel for the College.

The various legal opinions to be delivered concurrently with the delivery of the Series 2021B Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

Tax Exemption

Burr Forman McNair, Charleston, South Carolina, Bond Counsel, is of the opinion that, assuming continued compliance by the Board of Trustees with the Internal Revenue Code of 1986, as amended (the "Code") and applicable regulations promulgated thereunder, interest on the Series 2021B Bonds is excludable from gross income for federal income tax purposes under existing laws, statutes, and court decisions, as enacted and construed to the date of such opinion. The Code imposes an alternative minimum tax on a taxpayer's alternative minimum taxable income. Interest on the Series 2021B Bonds is not an item of tax preference for purposes of the individual alternative minimum tax. Under the present laws of the State, the Series 2021B Bonds and the income therefrom are presently exempt from all taxation in the State except for inheritance, estate, transfer or franchise (specifically including, without limitation, the tax imposed on banks by Section 12-11-20 of the Code of Laws of South Carolina 1976, as amended, enforced by the South Carolina Tax Commission as a franchise tax) taxes.

The Code includes provisions that relate to tax-exempt obligations, such as the Series 2021B Bonds, including, among other things, permitted uses and investment of the proceeds of the Series 2021B Bonds, the rebate of certain net arbitrage earnings from the investment of such proceeds to the United States Treasury, and the use of property financed with the proceeds of the Series 2021B Bonds. Noncompliance with these requirements may result in interest on the Series 2021B Bonds being subject to federal income taxation retroactive to the date of issuance of the Series 2021B Bonds. The Board of Trustees has covenanted to comply with the requirements of the Code to the extent required to maintain the exclusion of interest on the Series 2021B Bonds from gross income for federal tax purposes. Failure of the Board of Trustees to comply with these covenants could cause the interest on the Series 2021B Bonds to be taxable retroactively to the date of issuance. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to their attention after the date of issuance of the Series 2021B Bonds may adversely affect the value of, or the tax status of interest on, the Series 2021B Bonds.

[Original Issue Discount

Under existing statutes and court decisions the excess, if any, of the principal amount payable at the scheduled maturity date of the Series 2021B Bonds of any maturity over the initial public offering prices of such Series 2021B Bonds ("Discount Bonds") constitutes original issue discount that is not includable in gross income for federal income tax purposes to the same extent as interest on the Series 2021B Bonds. For purposes of the preceding sentence, the "initial public offering price" refers to the initial offering price to the public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Series 2021B Bonds of such a maturity was sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2021B Bond during any accrual period generally equals (i) the issue price of such Series 2021B Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Series 2021B Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such Series 2021B Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in such Series 2021B Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of a Series 2021B Bond will be treated as gain from the sale or exchange of such Series 2021B Bond.

Owners of Discount Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued upon sale or redemption of Discount Bonds, and with respect to the state and local tax consequences of owning Discount Bonds.]

[Original Issue Premium

An amount equal to the excess of the purchase price of a Series 2021B Bond over its stated redemption price at maturity constitutes premium on such Series 2021B Bond. A purchaser of a Series 2021B Bond must amortize any premium over such Series 2021B Bond's term using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Series 2021B Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Series 2021B Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Series 2021B Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Series 2021B Bonds.]

Medicare Tax on Unearned Income

The Health Care and Education Reconciliation Act of 2010 requires certain United States beneficial holders that are individuals, estates or trusts to pay an additional 3.8% tax on, among other things, certain interest on and gains from the sale or other disposition of the Series 2021B Bonds for taxable years beginning after December 31, 2012. United States beneficial holders that are individuals, estates or trusts should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of the Series 2021B Bonds.

Other Matters

Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Series 2021B Bonds and purchasers of the Series 2021B Bonds should consult their tax advisors with respect to the collateral tax consequences of ownership of the Series 2021B Bonds, such as the calculation of alternative minimum tax, any environmental tax, foreign branch profits tax liability, the tax on passive income of S corporations, the inclusion of Social Security or other retirement payments in taxable income, or the portion of allocable tax-exempt interest.

The ownership or disposition of, or the accrual or receipt of interest on, the Series 2021B Bonds may otherwise affect a beneficial owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the beneficial owner or the beneficial owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2021B Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the College, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the Internal Revenue Service. The College has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Series 2021B Bonds ends with the issuance of the Series 2021B Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the College or the beneficial owners regarding the tax-exempt status of the Series 2021B Bonds in the event of an audit examination by the Internal Revenue Service. Under current procedures, parties other than the College and their appointed counsel, including the beneficial owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of Internal Revenue Service positions with which the College legitimately disagrees, may not be practicable. Any action of the Internal Revenue Service, including but not limited to selection of the Series 2021B Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2021B Bonds, and may cause the College to incur significant expense.

Proposed Tax Legislation

Legislation affecting municipal bonds is regularly under consideration by the United States Congress. There can be no assurance that state or federal legislation enacted or proposed after the date of issuance of the Series 2021B Bonds will not have an adverse effect on the exclusion of interest thereon from gross income pursuant to the Code or other statute or market price of the Series 2021B Bonds. Such legislation may also adversely affect the market for tax-exempt obligations such as the Series 2021B Bonds. Prospective beneficial owners of Series 2021B Bonds should consult their own tax advisors regarding any pending or proposed tax legislation as to which Bond Counsel expresses no opinion.

PROSPECTIVE PURCHASERS OF THE SERIES 2021B BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2021B BONDS AS TO THE IMPACT OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, UPON THEIR ACQUISITION, HOLDING, OR DISPOSITION, OF THE SERIES 2021B BONDS.

MISCELLANEOUS

Audited and Other Financial Information

The College's financial statements were audited by Elliott Davis, LLC, Charleston, South Carolina, for the fiscal year ended June 30, 2020. The College's Comprehensive Annual Financial Report (the "CAFR") for the Fiscal Year Ended June 30, 2020, including the audited financial statements for the Fiscal Year ended June 30, 2020 (the "2020 Financial Statements"), are included in this Official Statement as Appendix A. The report of Elliott Davis, LLC, dated September 29, 2020, is set forth in Appendix A. The 2020 Financial Statements, including the footnotes thereto, should be reviewed in their entirety by prospective purchasers of the Series 2021 Bonds. **Elliott Davis, LLC, the College's independent auditor, has not been engaged to perform, and has not performed, since the date of its report dated September 29, 2020, any procedures on the financial statements addressed in that report. Elliott Davis, LLC also has not performed any procedures relating to this Official Statement.**

The College's Comprehensive Annual Financial Reports, including its audited financial statements for the Fiscal Years ended June 30, 2020, 2019, and 2018 are available for review on the website of the Municipal Securities Rulemaking Board ("MSRB") at www.emma.msrb.org.

With respect to evaluating the ability of the College to make timely payment of debt service on the Series 2021 Bonds based on information contained in the CAFR, no representation is made that such information contains all factors material to such an evaluation or that any specific information should be accorded any particular significance. The 2020 Financial Statements represent a comprehensive report of the College's finances and include funds, accounts, and revenues that are not pledged to the payment of debt service on the Series 2021 Bonds. This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other solely by reason of its location herein. See "APPENDIX A – AUDITED FINANCIAL STATEMENTS OF THE COLLEGE FOR FISCAL YEAR ENDED JUNE 30, 2020" herein.

Financial Advisor

Piedmont Securities LLC, Davidson, North Carolina, has served as Financial Advisor to the College in connection with the issuance of the Series 2021B Bonds. The firm has provided technical assistance in structuring the Series 2021B Bonds.

Underwriting

The Series 2021B Bonds have been purchased by _______________ (the "Underwriter") at competitive sale from the College for resale. The Underwriter has agreed to purchase the Series 2021B Bonds from the College at a price of par, plus a premium of $__________. The initial public offering yields of the Series 2021B Bonds are set forth on the inside front cover of this Official Statement and may be changed from time to time by the Underwriter. The Underwriter may also allow a concession from the public offering yields to certain dealers. The Underwriter has received no fee from the College for underwriting the Series 2021B Bonds. If the Series 2021B Bonds are sold at the public offering yields as set forth on the inside front cover of this Official Statement, the Underwriter anticipates total selling compensation of $__________ for the Series 2021B Bonds.

Ratings

Fitch Ratings Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's") have assigned the Series 2021B Bonds ratings of "A+" from Fitch and "A1" from Moody's. The ratings reflect only the views of the rating agencies and an explanation of the ratings may be obtained from the respective rating agency. The College has furnished the rating agencies the information contained in this Official Statement and certain other publicly available materials and information about the College. Generally, the rating agencies base their ratings on such materials and information, as well as investigations, studies, and assumptions of the rating agencies. The ratings may be changed at any time, and no assurance can be given that they will not be lowered or withdrawn entirely by the rating agencies or any of them if, in their judgment, circumstances so warrant. Neither the College nor the Underwriter has undertaken any responsibility to bring to the attention of the holders of the Series 2021B Bonds any proposed revision or withdrawal of the ratings of the Series 2021B Bonds or to oppose any such proposed revision or withdrawal. A downward change in or withdrawal of any of the ratings may have an adverse effect on the market price of the Series 2021B Bonds. An explanation of the ratings can be received from the rating agencies at the following addresses: Fitch Ratings, One State Street Plaza, New York, New York; Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York.

Continuing Disclosure

Rule 15c2-12 Undertaking

In order to assist the Underwriter of the Series 2021B Bonds to comply with the provisions of Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time ("Rule 15c2-12"), the College will enter into a written agreement (the

"Continuing Disclosure Undertaking") for the benefit of the holders and beneficial owners of the Series 2021B Bonds. The form of the Continuing Disclosure Undertaking is set forth in Appendix E to this Official Statement.

Under the Continuing Disclosure Undertaking, the College has undertaken for the benefit of the Holders of the Series 2021B Bonds to provide annually financial information and operating data regarding the College, which is the only "obligated person" (within the meaning of the Rule) for which financial information or operating data is provided in this Official Statement, by not later than January 31 of each year, commencing January 31, 2022 (the "Annual Report") for the Fiscal Year 2021. The Annual Report shall include, at a minimum, the annual audited financial statements of the College prepared in accordance with accounting principles generally accepted within the United States of America as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board and other financial information and operating data as described in the Continuing Disclosure Undertaking. Under the Continuing Disclosure Undertaking, the College has also undertaken for the benefit of the Holders of the Series 2021 Bonds, to provide notices of certain enumerated events (the "Event Notices") as provided in the Rule within the time frame required by the Rule. The Annual Reports and Event Notices will be filed with the Municipal Securities Rulemaking Board's Municipal Market Access System ("EMMA") in the manner prescribed by the Rule. See Appendix E to this Official Statement for a more complete description of the College's undertaking under the Rule. The Continuing Disclosure Undertaking obligates the College to provide only limited information at specific times, and such information may not include all information necessary to determine the value of the Series 2021B Bonds.

Currently, the only "obligated person" (within the meaning of the Rule) with respect to the Series 2021B Bonds is the College. No other person or entity is obligated to provide, or is expected to provide, any continuing disclosure information with respect to the Rule.

State Law Requirement

Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended ("Section 11-1-85"), the College has covenanted to file with a central repository for availability in the secondary bond market when requested: (i) an annual independent audit within thirty days of the College's receipt of the audit; and (ii) event specific information within thirty days of an event adversely affecting more than five percent of the revenues of the College.

The only remedy for failure by the College to comply with these covenants is an action for specific performance. Moreover, the College has specifically reserved the right to amend the covenants to reflect any change in Section 11-1-85 without the consent of any Holder of Series 2021 Bonds.

Paying Agent's Disclaimer

U.S. Bank National Association has been designated by the Office of State Treasurer as paying agent and registrar for the Series 2021B Bonds. In this capacity, U.S. Bank National Association has not provided or undertaken to determine the accuracy of any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to the accuracy or completeness of such information, the validity of the Series 2021B Bonds or the tax exempt status of the interest on the Series 2021B Bonds.

Closing Certifications

Upon the delivery of the Series 2021B Bonds, the College will furnish the respective purchasers with certifications of appropriate officials of the College (a) stating in substance that there is no litigation pending or, to the knowledge of the College, threatened in any court to restrain or enjoin the issuance or delivery of the Series 2021B Bonds or the collection of revenues pledged or to be pledged to pay the principal of and interest on the Series 2021B Bonds, or in any way contesting or affecting the validity of the Series 2021B Bonds, the General Bond Resolution or the Series 2021B Bond Resolution, or contesting the power or authority of the College to issue the Series 2021B Bonds or adopt the General Bond Resolution and the Series 2021B Bond Resolution; (b) establishing that the Series 2021B Bonds are not "arbitrage" bonds, within the meaning of Section 148 of the Code and the applicable Treasury Regulations thereunder; and (c) stating that this Official Statement, as of its date and as of the date of delivery of the Series 2021B Bonds, does not contain any untrue statement of a material fact and does not omit to state a material fact which should be included therein for which this Official Statement is intended to be used or which is necessary to make any statement contained therein, in the light of the circumstances under which it was made, not misleading.

Conclusion

If additional information or explanations are desired, inquiries should be made to John F. Loonan, Executive Vice President for Business Affairs, 66 George Street, Charleston, South Carolina 29424, telephone (843) 953.5841. Requests for additional copies of this Official Statement may be addressed to the College's financial advisor for the Series 2021B Bonds, Piedmont Securities LLC, Post Office Box 2060, Davidson, North Carolina 28036 (704) 990.2380.

COLLEGE OF CHARLESTON

____

Executive Vice President for Business Affairs/CFO

APPENDIX A

AUDITED FINANCIAL STATEMENTS OF THE COLLEGE
FOR THE
FISCAL YEAR ENDED JUNE 30, 2020

COLLEGE OF CHARLESTON
CHARLESTON, SOUTH CAROLINA

A banner hanging from Randolph Hall reveals the theme for the 250th anniversary celebration of the College of Charleston.

COMPREHENSIVE ANNUAL FINANCIAL REPORT
A Component Unit of the State of South Carolina
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

PREPARED BY
THE OFFICE OF THE CONTROLLER

COLLEGE OF CHARLESTON
CHARLESTON, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

A Component Unit of the State of South Carolina

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

PREPARED BY
THE OFFICE OF THE CONTROLLER

COLLEGE OF CHARLESTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2020

COLLEGE OF CHARLESTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT

President Andrew Hsu at his inauguration in the Cistern Yard, October 10, 2019.

Students and President Hsu cheer on the men's soccer team at their season opening game at Patriots Point Athletics Complex, Mt. Pleasant, SC, August 30, 2019.

INTRODUCTORY SECTION

Andrew T. Hsu, Ph.D.
President

September 4, 2020

Dear Friends of the College of Charleston:

It is my pleasure to present the Comprehensive Annual Financial Report of the College of Charleston for the fiscal year ending June 30, 2020. It documents the fiscal status of the institution and our accountability in managing assets of the College.

I am honored to be the 23rd president of the College of Charleston and to be leading one of the top universities in the country. I'm excited to work with our remarkable faculty, staff, students, alumni, donors and community members to further enrich the educational experience of our students as well as to raise the profile of this incredible liberal arts university. My family and I could not have been more thrilled to join this community of caring individuals last year and to do our part to help further the College's success.

During 2019–20, the College of Charleston embarked on a strategic planning process that defines our vision for the future and creates a roadmap to help guide the College in the coming five to ten years. The plan, with input from students, faculty, staff, trustees, donors and community members, was approved by the full Board of Trustees in May 2020 and outlines several goals and strategies for achieving greater student success, greater employee success and greater status as a national university in reputation and prestige.

While the pandemic certainly forced the College of Charleston to pivot in ways unexpected – such as suspending in-person instruction and canceling many of our events celebrating the 250th anniversary of our founding – the College is a resilient institution and it is proving it yet again. Simply put, we are an institution of toughness and stamina with a steadfast commitment to intellectual ideas and innovation.

I look forward to the next year as we all climb back to some sense of normalcy and as we all work together to elevate and lift the College of Charleston to even greater heights.

Sincerely,

Andrew T. Hsu

COLLEGE of CHARLESTON

LETTER OF TRANSMITTAL

September 29, 2020

To President Hsu,
Members of the Board of Trustees, and
Citizens of South Carolina

FORMAL TRANSMITTAL REQUIREMENTS

We proudly present to you the Comprehensive Annual Financial Report (CAFR) for the College of Charleston (the College) for the year ended June 30, 2020. This report contains the financial statements as well as other information useful to those we serve and to whom we are accountable. The CAFR includes four major sections, Introductory, Financial, Required Supplementary Information, and Statistical, as well as all disclosures necessary for the reader to gain an understanding of the College's financial operations.

Legal Requirement

As a lump-sum agency of the State of South Carolina, the College is required to provide a complete set of audited financial statements by October 1 of each year for incorporation into the statewide CAFR. This report fulfills that requirement for the fiscal year ended June 30, 2020. The College is included in the statewide CAFR as a component unit in accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-an Amendment of GASB Statements No. 14 and No. 34*.

Assumption of Responsibility

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, is assumed by the College of Charleston. We believe that, to the best of our knowledge and based upon a strong system of internal control, the data contained herein is accurate in all material respects and is reported in a manner designed to present fairly the College's financial position as well as revenues, expenses, changes in net position, and cash flows.

66 GEORGE ST. | CHARLESTON, SC 29424-0001

Internal Control

The objective of internal controls is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. The cost of a control should not exceed the benefits to be derived. Management of the College is responsible for the establishment and maintenance of internal control policies and procedures designed to safeguard the College's assets. As part of this responsibility, management ensures that its financial statements are prepared in conformity with generally accepted accounting principles (GAAP). In addition, reasonable controls are in place to ensure that: access to the College's assets is granted only with appropriate management authorization; transactions are executed in accordance with the authorization of management; transactions are recorded timely and based on criteria applicable to state guidelines, GAAP, GASB (Governmental Accounting Standards Board), and criteria developed by the National Association of College and University Business Officers; and general ledger accounts are reconciled timely.

The College of Charleston's Office of Internal Audit periodically reviews procedures and issues reports with recommended improvements to the system. This office reports directly to the Executive Vice President for Business Affairs / Chief Financial Officer but has an open and unrestricted reporting relationship with the Audit Committee of the Board of Trustees. In addition, annual audits are conducted by independent auditors which include testing to ensure the adequacy of internal controls and the College's compliance with applicable laws and regulations.

Independent Audit

Audits are conducted on an annual basis by an independent audit firm. For the fiscal year ended 2020, the audit was conducted by Elliott Davis LLC. The auditor's report appears in the front of the Financial Section and expresses an unmodified opinion on the College's financial statements.

Furthermore, Elliott Davis LLC audits the College's federal programs to ensure compliance with the requirements of the Code of Federal Regulations Part 200 (Uniform Grants Guidance), Subpart F-Audit Requirements. Additionally, in accordance with National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17, Elliott Davis LLC will perform the engagement work of the agreed upon procedures of the College's Department of Athletics. The most recent engagements (fiscal year 2019) detected no institutional liabilities related to the College's federal and athletic programs. Finally, the College is audited on a periodic basis by the State Fiscal Accountability Authority Procurement Services to ensure compliance with the provisions of the South Carolina Procurement Code.

Reference to Management's Discussion & Analysis (MD&A)

The letter of transmittal complements and should be read in conjunction with MD&A. The discussion focuses on recent activities, accounting changes, and currently known facts.

INSTITUTIONAL PROFILE

Basic Information

The College of Charleston is a state-supported, coeducational institution of higher education. The Board of Trustees is the governing body for the College and is responsible for the administration and management thereof. Founded in 1770 and chartered in 1785, the College is the oldest educational institution south of Virginia, and the thirteenth oldest in the United States. Today, this thriving academic institution offers a superior liberal arts and sciences education for more than 10,500 undergraduate and graduate students. The College has six undergraduate schools, an honors college, and The Graduate School of the University of Charleston, South Carolina. These schools offer 2 undergraduate certificates, 69 undergraduate degrees, 79 minors, 21 graduate degrees, and 9 graduate certificate programs.

The College of Charleston is committed to attracting the most promising students from South Carolina as well from other states and nations. Out-of-state and international students comprise 39 percent of the student enrollment with 48 states and U. S. territories and 62 foreign countries represented in fall 2019.

Component Units

The College of Charleston and its graduate school are a component unit of the State of South Carolina. The funds of the College of Charleston are included in the CAFR of the State of South Carolina.

Governmental Accounting Standards Board (GASB) Codification Section 2100: *Defining the Financial Reporting Entity*, and Section 2600: *Reporting Entity and Component Unit Presentation and Disclosure*, provides criteria for whether certain organizations should be reported as component units based on the nature and significance of their relationship to the related entity. Based on these criteria, the College determined the College of Charleston Foundation and the College of Charleston Cougar Club are component units. Consequently, the financial statements include the accounts of these entities as discretely presented component units.

Budget

The College prepares an annual operating budget that provides reasonable estimates of revenues and expenditures. The annual budgetary process includes an operating budget for educational and general activities, and auxiliary enterprises. Budgets for sponsored programs and capital projects are established and maintained on an individual basis throughout the year. Executive management develops a budget based on consultations with academic leaders and department heads. The resulting comprehensive budget includes mandated spending, inflationary costs, and strategic investments informed by the College's strategic plan. The proposed budget is presented to the Board of Trustees for approval, and budget status updates are provided on a quarterly basis. The responsibility for budgetary control rests at the departmental level with appropriate oversight provided by the executive management of the College. Finally, the College prepares annual budgetary reports that are available to the General Assembly of South Carolina and the public for review.

Accolades

The College of Charleston has received top marks in the U.S. News & World Report Best Colleges 2020 rankings. Among Southern Regional Universities, the College ranks as follows:

- No. 8 in Regional Universities
- No. 3 in Best Colleges for Veterans
- No. 7 in Best Undergraduate Teaching
- No. 8 in Most Innovative Schools
- No. 5 in Top Public Schools

U.S. News & World Report has published its Best Colleges rankings since 1983. According to its website, the rankings provide a starting point for families searching for the best academic value for their money and enables them to compare the relative quality of institutions based on such widely accepted indicators of excellence as freshman retention, graduation rates and the strength of the faculty.

For the 17th year in a row, The Princeton Review has recognized the College of Charleston as one of the top universities in the country. Since 1992, The Princeton Review has released this annual guide of the best colleges in the United States. The guide showcases the universities it recommends to students and families as the best for undergraduates.

INFORMATION USEFUL FOR ASSESSING ECONOMIC CONDITION

2019 novel coronavirus (or "COVID-19")

The 2019 novel coronavirus (or "COVID-19") has adversely affected, and may continue to adversely affect economic activity globally, nationally, and locally. It is unknown the extent to which COVID-19 may continue to spread, may have a destabilizing effect on financial and economic activity and may increasingly have the potential to negatively impact the College's and its students' costs, demand for the College's services, and the U.S. economy. These conditions could adversely affect the College's business, financial condition, and results of operations. The extent of the adverse impact of the COVID-19 outbreak on the College cannot be predicted at this time.

Local Economy

The Charleston region is comprised of three counties (Berkeley, Charleston, and Dorchester). Strategically located on the Atlantic coast half-way between New York and Miami, the region covers more than 3,100 square miles. In addition to a thriving economy, the region is rich in history and a popular tourist destination.

Because of COVID-19, the state of South Carolina and the Charleston Metropolitan Statistical Area (MSA) experienced a decrease in labor market and an increase in unemployment. Total employment was 2,242,800 persons, and the unemployment rate was 8.6 percent for July 2020. The industries with the largest number of jobs were Trade, Transportation, and Utilities (392,300), Government (357,500), and Professional and

Business Services (286,800).[1] While Other Services (1.4 percent) was the only industry with a twelve-month increase, the industries with the three largest twelve-month percentage decreases were Leisure & Hospitality (21.6 percent), Mining and Logging (6.7 percent), and Education & Health Services (4.1 percent).[2]

Total employment for the Charleston Metropolitan Statistical Area (MSA) was 373,700 persons, and the unemployment rate was 9.2 percent. The top three industries for the area were in line with the state: Trade, Transportation, and Utilities (66,700), Government (66,900), and Professional and Business Services (53,300). While Government (1.7 percent) was the only industry with a twelve-month increase, the industries with the three largest twelve-month percentage decreases were Leisure & Hospitality (35.0 percent), Other Services (9.8 percent), and Professional and Business Services (7.3 percent). The general trend of the local labor market usually follows South Carolina and the United States, however, the annual unemployment rate (unadjusted) for the Charleston MSA has been lower than both the state and the country for eleven out of the last thirteen years.[2] The number of monthly job openings ranged from 15,671 in November 2019 to 9,825 in May 2020 due primarily to the impacts of COVID-19.[3]

Military remains a top economic driver in our region with a $10.8 billion-dollar annual impact. That will continue to strengthen as Charleston becomes one of the Coast Guard's largest bases in the nation over the next several years. The three sectors with the most job growth in the region in 2019 include construction (+4 percent), trade, transportation, and utilities (+3.6 percent) and leisure and hospitality (+3.4 percent).[4]

In 2019, readers of Travel + Leisure magazine voted Charleston the number one U.S. city to visit for the seventh year in a row, as well as naming it among the world's top 15 destinations.[4]

Area accommodations sold 4.8 million room nights in 2019, a 3.7 percent increase in demand from the previous year, even while continuing to add room inventory. There were 850 more local hotel rooms available during any month in 2019, on average, than in 2018 and a total inventory of 18,162 rooms as of December 2019.[4]

Charleston has been one of the nation's most important seaports since its establishment in 1670. The South Carolina Ports Authority reported more activity than expected in 2019, an increase of 5.2 percent over 2018. The South Carolina Ports Authority's newest economic impact study shows a $63.4 billion annual impact on the state's economy. Locally, the impact is nearly $8 billion, with almost 28,000 Lowcountry jobs sustained because of port operations. Current improvements to this mighty statewide asset include the harbor deepening and the new Hugh K. Leatherman, Sr. Terminal, the only permitted new container terminal on the U.S. East and Gulf Coasts. The Charleston harbor deepening project is on track to achieve a 52-foot depth in 2021, making Charleston the deepest harbor on the East Coast. As one of the top ten ports in the United States, Charleston continues to demonstrate its vital connection and prominent position on the world stage. The Port's forecast for 2020 is for an increase of 4.3 percent in TEU (Twenty-foot Equivalent Units) activity compared to 2019, and 2021 will bring another 3.3 percent increase.[4]

[1] US Bureau of Labor Statistics, July 2020, preliminary as of 9/7/20, number of jobs, seasonally adjusted
[2] US Bureau of Labor Statistics, July 2020, preliminary as of 9/7/20, seasonally adjusted
[3] SC Department of Employment & Workforce, Business Intelligence Department, Community Profile, updated 8/20/20
[4] Economic Outlook Forecast 2020-2021, Charleston Metro Chamber of Commerce Center for Business Research

Charleston International Airport (CHS) had another record-breaking year, with more than 4.8 million passengers handled, 9 percent more than in 2018. Airlines continued to add new flights, including British Airways, which brought CHS its first nonstop transatlantic flight, connecting the Charleston region to London's Heathrow Airport. Capital expansion continues to add parking and passenger capacity at the newly renovated facilities.[4]

Single-family home construction permits issued were essentially the same in 2019 as in 2018, about 4,800 units. Multi-family permits, while still strong in our market, dropped below left total residential permits down slightly in 2019. The number of homes sold in 2019 outpaced expectations, with more than 18,500 closings or 2.1 percent growth over 2018. The median sales price was $277,500 and the average was $365,989, up 4.2 percent and 1.6 percent, respectively.[4]

The region's labor force and job growth accelerated in 2019 compared to 2018, slightly more than forecasted. The workforce grew by 2.3 percent (9,000 workers) and employment grew by 2.8 percent (10,000 new jobs). In addition, 30 new and expanding firms in the region announced $260 million in capital investment and 2,100 new jobs that will be added to the market over the next several years. Our region's overall labor force participation rate remained at 65.5 percent, higher than the U.S. average of 63 percent.[4]

The Charleston area's labor force is growing at a rate three times the U.S. average.[5]

Long-term Financial Planning

The College developed a new strategic plan that was adopted by the Board of Trustees on May 7, 2020. Moving forward the annual budget process will be changed as needed to align with the new plan. With shifting market conditions and a new strategic plan, the College is realigning its budget process to target specific strategies and objectives that are directly tied to the mission and vision of the College. The College is also going through a review process to position itself for a new, multi-year budget model.

At this point the state has not provided the College with an appropriation for Fiscal Year 2021 due to economic circumstances related to the pandemic. In addition, the College did not raise tuition and fees in Fiscal Year 2021. Due to the uncertainty related to future enrollment and state appropriations, the College plans to identify new revenue streams and continue to reduce discretionary spending.

Relevant Financial Policies

It is noteworthy to mention at least three policies that impact the budgetary process. These policies cover debt, cash, and risk management issues.

The College manages debt on a portfolio basis. Its continuing objective to achieve the lowest cost of capital will be balanced with the goal of limiting exposure to market shifts. The College will manage its credit to maintain the highest acceptable rating which will permit the College to issue debt and finance capital projects at favorable interest rates while meeting its strategic objectives. Overall debt will be limited to a level that will maintain an acceptable credit score with bond rating agencies.

[4] Economic Outlook Forecast 2020-2021, Charleston Metro Chamber of Commerce Center for Business Research
[5] Charleston Regional Development Alliance, South Carolina Department of Commerce, 2020

Secondly, as a state agency, the investment of funds is vested with the State Treasurer of South Carolina. Other than certain approved petty cash funds and two loan funds, all cash is held in a cash management pool administered by the State Treasurer. By law, the College can earn interest income on revenues derived from the operations of its residence halls, parking, and food services. Certain debt service funds also managed by the State Treasurer allow interest earnings to the credit of the College. All other interest earned from the investment of College and related fees are retained by the State Treasurer and credited to the State General Fund.

Finally, the College contributes to a statewide risk management program in which the state assumes substantially all risk for unemployment and workers' compensation benefits and claims of covered employees for health, dental, and group life insurance benefits. In addition, the College pays premiums to the South Carolina Insurance Reserve Fund to cover the risk of loss related to the assets and activities including real and personal property. The College also obtains employee fidelity bond insurance coverage from a commercial insurer.

Major Initiatives

The Board of Trustees approved a new Strategic Plan, effective May 7, 2020. The goal of this effort was to articulate a shared vision of the College's future and to make that vision a reality through the identification of key strategic priorities and specific outcomes tied to actionable plans.

The College updates and reaffirms its five-year Comprehensive Permanent Improvement Plan annually. The plan outlines all major capital improvements planned to begin within the next five years, including project cost estimates and funding sources. Over the course of the next fiscal year, the College will begin a total renovation of the Simons Center for the Arts, which will require bond funding.

Projects completed over the past year include:

- Avery Research Center Envelope and Mechanical Upgrade
- McConnell Residence Hall HVAC System Replacement
- 92 Wentworth Student Residence Refresh
- Sottile Theatre Conservation and Mural/Fresco Reproduction

The following major projects are currently under construction:

- Calhoun Annex Renovation
- 90 Wentworth Student Residence Renovation
- Physical Plant Renovation
- 10, 20 Warren Place Apartments Bedroom Additions
- Kelly House Apartments External Walkway Structural Repairs

The following major projects are currently in the design phase:

- Simons Center for the Arts Renovation
- Multicultural Center Renovation
- Silcox Gym Envelope and 1st Floor Renovation
- Wentworth Garage Renovation
- Addlestone Library Envelope and Interior Renovation

The College is celebrating its 250th anniversary in 2020. Launching in November 2019 and closing out on Founder's Day, January 2021, the College of Charleston will come together with students, faculty, staff, alumni, and the community for a yearlong celebration of its founding in 1770.

Born out of the Age of Enlightenment and forged in an era of revolutionary awakening, the College of Charleston was founded in 1770. For 250 years, the College has grown, developed, and evolved. It has been through exciting and complex times defined by starts and stops; defeats and victories; and challenges and achievements.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the College of Charleston for its CAFR for the fiscal year ended June 30, 2019. The College has received the Certificate of Achievement for twenty-seven consecutive years. To be awarded a Certificate of Achievement, an entity must publish an easily readable and efficiently organized report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current report continues to meet the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

We wish to thank the President and the Board of Trustees of the College for their continued commitment to the fiscal management of the College. Likewise, we wish to thank the members of the College community whose cooperation made the successful close of the fiscal year possible.

John F. Loonan
Executive Vice President for Business Affairs / Chief Financial Officer

Dawn Willan, C.P.A
Interim Vice President for Fiscal Services / Controller

Kenneth "Rick" Mims, C.P.A.
Deputy Controller

Patrick M. Fillippa, C.P.A.
Deputy Controller

Phyllis W. Singleton
Associate Controller

COLLEGE OF CHARLESTON
BOARD OF TRUSTEES
2019 - 2020

ORGANIZATIONAL AND MANAGEMENT STRUCTURE

PRESIDENT'S OFFICE
Hsu, Andrew T.
President

COMMUNICATIONS
Menchaca, Ron
VP of Communications

STUDENT AFFAIRS
Caudill, Alicia D.
Executive VP for Student Affairs

ENROLLMENT PLANNING
Takayama-Perez, Amy L.
VP University Marketing and Enrollment Planning

LEGAL AFFAIRS
Mulholland, Angela B.
General Counsel

OFFICE OF INSTITUTIONAL DIVERSITY
Harris, Renard B.
VP of Access and Inclusion / Chief Diversity Officer

BUSINESS AFFAIRS
Loonan, John F.
Executive VP for Business Affairs / CFO

PRESIDENT'S OFFICE
Kassebaum, Elizabeth W.
VP for College Events, Executive Secretary for BOT

INFORMATION TECHNOLOGY
Staples, Mark A.
CIO and Sr. VP for Information Technology

PRESIDENT'S OFFICE
Patrick, Paul D.
Chief of Staff

PRESIDENT'S OFFICE
Berry, Mark E.
Deputy Chief of Staff

ATHLETICS
Roberts, Matthew J.
Director of Athletics

PROVOST
Austin, Suzanne E.
Provost / Executive VP for Academic Affairs

INSTITUTIONAL ADVANCEMENT
Tobin, Christopher R.
Executive VP for Institutional Advancement

PRESIDENT'S OFFICE
Nadel, Evelyn H.
Executive Director of Community Relations and Ombudsperson

PRESIDENT'S OFFICE
McGrew, Michelle R.
Executive Assistant to the President

COLLEGE OF CHARLESTON
BUSINESS AND FINANCE OFFICERS
2019-2020

John F. Loonan
Executive Vice President for Business Affairs /
Chief Financial Officer

Dawn Willan, C.P.A.
Interim Vice President of Fiscal Services /
Controller

Kenneth “Rick” Mims, C.P.A.
Deputy Controller

Patrick M. Fillippa, C.P.A.
Deputy Controller

Phyllis W. Singleton
Associate Controller

Gail E. Long, C.P.A.
Internal Auditor

David Katz
Treasurer

Everett McInnis
Director of Budgeting and Payroll Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

College of Charleston

South Carolina

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

COLLEGE OF CHARLESTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT

A historical marker on George Street unveiled at CofC Day, January 30, 2020.

The College of Charleston's cheer and dance teams' welcome students, faculty, and staff to celebrate CofC Day in the Cistern Yard, January 30, 2020.

FINANCIAL SECTION

Independent Auditor's Report

Members of the Board of Trustees
College of Charleston
Charleston, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the College of Charleston (the "College"), a component unit of the State of South Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the College of Charleston Foundation and Subsidiaries (a discretely presented component unit) and the College of Charleston Athletic Fund d/b/a Cougar Club (a discretely presented component unit). The College of Charleston Foundation and Subsidiaries and the College of Charleston Athletic Fund d/b/a Cougar Club represent 100% of total assets, 100% of total net assets, and 100% of total revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for these discretely presented components units, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the College of Charleston Foundation and Subsidiaries and College of Charleston Athletic Fund d/b/a Cougar Club were not audited in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

Auditor's Responsibility, Continued

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 business-type activities and the aggregate discretely presented component units of the College as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management’s Discussion and Analysis on pages 22-34, the Schedule of the College’s Proportionate Share of the Net Pension Liability on page 88, the Schedule of the College’s Pension Contributions on page 89, the Schedule of the College’s Proportionate Share of the Net OPEB Liability on page 90, and the Schedule of the College’s OPEB Contributions on page 91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient audit evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College’s basic financial statements. The Introductory Section and Statistical Section as listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2020, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 College's internal control over financial reporting and compliance.

Elliott Davis, LLC

Charleston, South Carolina
September 29, 2020

Introduction

The College of Charleston's (the College) Management Discussion and Analysis (MD&A) presents an overview of its financial condition and guides the reader toward significant financial matters for the fiscal year ended June 30, 2020. Management has prepared the discussion and recommends reading it in conjunction with the accompanying financial statements and notes. The responsibility for the financial statements, notes, and this discussion rests with management.

Financial and Other Highlights

- Net position of $20.1 million in fiscal year 2020 decreased by $1.2 million or 5.5 percent in comparison to fiscal year 2019.
- Tuition and fee revenue of $152.6 million for fiscal year 2020 reflects an increase of $2.1 million, up 1.4 percent in relation to fiscal year 2019. Total revenues also increased by $2.7 million, or 0.9 percent.
- Sales and services of auxiliary enterprises revenues decreased by $8.4 million or 16.4 percent.
- Total expenses of $285.6 million increased by $4.4 million, or 1.6 percent from the prior year. Total operating expenses increased by 1.8 percent from the prior year.
- State appropriations totaling $31.0 million in fiscal year 2020 increased by $3.8 million or 14.0 percent from fiscal year 2019.
- The College completed renovations in McConnell Hall, Avery Research Center, and a campus dining facility.

Using the Annual Financial Report

The annual financial report encompasses three financial statements: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. These financial statements are prepared according to GASB, Statements No. 34 and 35, *Basic Financial Statements–and Management's Discussion and Analysis–for State and Local Governments and Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The College implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. The financial statements focus on the financial condition of the College, the results of operations, and its cash flows as a whole.

The three financial statements, similar to those of the private sector, should assist the reader of the annual report in assessing whether the College's overall financial condition (the Statement of Net Position) has improved or deteriorated as a result of current year's financial activities (the Statement of Revenues, Expenses and Changes in Net Position). In addition, the financial statements will help the reader ascertain whether the College can meet its financial obligations. The Statement of Cash Flows displays information related to both inflows and outflows of cash and further classifies activities by operating, noncapital financing, capital debt and related financing, and investing.

Moreover, it answers the questions as to whether the institution is generating any extra cash that can be used to repay debt or to invest in new services, and whether the institution is generating enough cash to purchase the additional assets required for growth and maintenance. The elimination of internal service fund transactions ensures that only transactions external to the College are shown in the statements. The following discussion elaborates further on the components and relationships of the three statements.

First, the ***Statement of Net Position*** (the balance sheet) includes current and noncurrent assets and liabilities. Current assets convert to cash within one year and for the College consist mainly of cash and receivables. Current liabilities will settle within one year and consist primarily of payables, unearned revenues, accrued compensation, and the current portion of bonds and notes payable. This data provides information on assets available to continue the operations, amounts due to vendors, investors, lending institutions, and the net position available for expenditure by the College. All depreciable capital assets are reported net of accumulated depreciation. The College does not report any infrastructure assets as a separate line item. If applicable, the statement also displays deferred outflows and inflows of resources, which are consumptions or acquisitions of net position in one period that are applicable to future periods.

In addition, the Statement of Net Position presents three major components of net position. The first component, net investment in capital assets, consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The next component displays the restricted portion of net position, subdivided into expendable and nonexpendable. The expendable portion of restricted net position is available for expenditure but must be spent for purposes as determined by donors and/or external entities based on the defined restrictions. The nonexpendable restricted component is available solely for investment purposes. The final component is the unrestricted portion of net position which may be expended for any lawful purpose of the institution.

Secondly, the ***Statement of Revenues, Expenses, and Changes in Net Position*** presents the sources of revenue, types of expenses, gains or losses, and changes in net position. Revenues and expenses are categorized as either operating or nonoperating. Significant recurring sources of the College's revenues, including State appropriations, gifts, and investment income (loss) are considered nonoperating. The dependence of public educational institutions on state funding, therefore, will normally result in operating deficits. The utilization of long lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the College. Operating revenues are classified in five major areas: student tuition and related fees; federal, state, and local grants and contracts; student organization revenues; sales and services of auxiliary enterprises; and other sources.

Scholarships and fellowships applied to student accounts are shown as a reduction of student tuition and fee revenues, while stipends and other payments made directly to students continue to be presented as scholarship and fellowship expenses.

Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the College. Operating expenses are mainly attributable to salaries and benefits for the faculty and staff of the College. Other elements included in operating expenses are supplies and services, utilities, scholarships and fellowships, and depreciation.

Nonoperating revenues are monies received for which goods and services are not provided. State capital appropriations are considered neither operating nor nonoperating revenues and are reported after "Income Before Other Revenues".

Lastly, the ***Statement of Cash Flows*** presents detailed information about the cash activity of the College during the year and is divided into five sections. The operating section shows the net cash provided by or used for the operating activities of the College. The second section presents cash flows from noncapital financing activities and reflects the cash received and spent for noncapital financing purposes. Cash used for the acquisition and construction of capital and related items is detailed in the cash flows from capital debt and related financing activities section. The section on cash flows from investing activities shows the interest received from investing activities. The fifth section reconciles the change in net cash to the operating income or loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position. This reconciliation is detailed in the financial statements of the College and is not included in this analysis.

As required by GASB, the Statement of Cash Flows was produced using the direct method. Under the direct method, net change in cash is determined by adjusting each item in the income statement from the accrual basis to the cash basis.

COVID – 19

The outbreak of COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020. The COVID-19 outbreak altered the behavior of businesses and people in a manner that continues to have negative effects on global and local economies, while also forcing schools and colleges throughout the world to transition to online classes and learning programs. On March 13, 2020, President Trump declared a national emergency under the National Emergencies Act, effective March 1, 2020. Following the diagnosis of COVID-19 cases in South Carolina the College in March 2020 moved to online instruction for students, most of whom moved out of the residence halls during that time. Further, on March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), the largest economic stimulus bill in the history of the United States with an estimated cost of over two trillion dollars. The CARES Act was designed to help offset the impact of COVID-19 and provide economic support to the health care sector, the business sector, employees, individuals and families. The Act also provided targeted relief for specific industries impacted disproportionately, including air transportation, health care and education, among others.

Statement of Net Position

The Statement of Net Position is the residual of all other elements presented in the financial statements. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. The change in net position during the fiscal year is an indicator of the change in the overall financial condition of the College. A synopsis of the College's assets and deferred outflows, liabilities and deferred inflows, and net position as of June 30, 2020 and 2019 follows.

Condensed Statement of Net Position

	2020	2019	Increase (Decrease)	Percent Change
Assets				
Current assets	$ 182,781,289	$ 175,544,363	$ 7,236,926	4.1%
Capital assets, net of depreciation	394,334,430	403,248,159	(8,913,729)	-2.2%
Other noncurrent assets	4,452,217	4,124,839	327,378	7.9%
Total Assets	$ 581,567,936	$ 582,917,361	$ (1,349,425)	-0.2%
Deferred Outflows				
Deferred loss on debt refundings	$ 656,418	$ 698,593	$ (42,175)	-6.0%
Deferred outflows - pension	23,831,465	24,172,195	(340,730)	-1.4%
Deferred outflows - OPEB	22,678,772	9,350,657	13,328,115	142.5%
Total Deferred Outflows	$ 47,166,655	$ 34,221,445	$ 12,945,210	37.8%
Liabilities				
Current liabilities	$ 36,172,351	$ 39,007,754	$ (2,835,403)	-7.3%
Noncurrent liabilities	549,168,017	534,603,702	14,564,315	2.7%
Total Liabilities	$ 585,340,368	$ 573,611,456	$ 11,728,912	2.0%
Deferred Inflows - Pension	$ 2,688,805	$ 3,941,890	$ (1,253,085)	-31.8%
Deferred Inflows - OPEB	19,504,316	16,637,420	2,866,896	17.2%
Deferred Inflows - Other	1,142,857	1,714,286	(571,429)	-33.3%
Total Deferred Inflows	$ 23,335,978	$ 22,293,596	$ 1,042,382	4.7%
Net Position				
Net investment in capital assets	$ 198,753,163	$ 199,807,398	$ (1,054,235)	-0.5%
Restricted - nonexpendable	1,100,000	1,100,000	-	0.0%
Restricted - expendable	73,089,537	68,825,953	4,263,584	6.2%
Unrestricted	(252,884,455)	(248,499,597)	(4,384,858)	1.8%
Total Net Position	**$ 20,058,245**	**$ 21,233,754**	**$ (1,175,509)**	-5.5%

Total Net Position fell to $20.1 million as of the end of fiscal year 2020, decreasing by $1.2 million.

Total Assets of $581.6 million decreased by $1.3 million or 0.2 percent from last fiscal year to the current fiscal year. The net decrease is primarily due to depreciation of capital assets, which is discussed in the Capital Assets section. While total assets decreased, current assets increased by $7.2 million. Additional information about changes within assets include:

- Total cash and cash equivalents was relatively unchanged from the prior year, increasing by 0.2 percent to $165.0 million. Unrestricted cash and cash equivalents increased by $1.2 million or 1.7 percent. Current restricted cash and cash equivalents decreased by $1.0 million and noncurrent restricted cash and cash equivalents increased by $53 thousand. For further information, see the Statement of Cash Flows section.

- Grants and contracts receivable increased by $3.9 million or 180.7 percent. Nearly all of this increase is related to $3.7 million in reimbursements from the CARES Act. The College issued partial refunds totaling $5.5 million to students for housing, food services, and parking for the spring 2020 semester because of the campus closure. $3.7 million in grants receivable was recorded for reimbursements under the CARES Act.
- Prepaid expenses increased by $3.0 million due to timing differences.

Total Deferred Outflows increased $12.9 million, or 37.8 percent. Deferred losses on debt refundings decreased by $42 thousand due to amortization of existing losses. Deferred outflows related to the College's proportionate share of the state's net pension liability decreased by $0.3 million. Deferred outflows related to the College's proportionate share of the state's retiree health benefits increased by $13.3 million. See notes 6 and 7 for additional information.

Total Liabilities of $585.3 million increased by 2.0 percent. Current liabilities decreased by $2.8 million, mostly due to timing differences in accrued expenses at year end. Noncurrent liabilities increased by $14.6 million compared to the prior year. A $13.9 million net change to Bonds and notes payable, the net pension liability, and the net OPEB liability accounts for most of the increase. Bonds and notes payable decreased by $8.2 million from scheduled debt service payments. The net pension liability increased by $8.3 million, and the OPEB liability increased by $13.8 million. For more detailed information on noncurrent liabilities, refer to Notes 6,7,10, and 11 in the Notes to the Financial Statements.

Total Deferred Inflows increased by $1.0 million, or 4.7 percent. Deferred inflows related to the College's net pension liability decreased by $1.3 million. Deferred inflows related to the OPEB liability increased by $2.7 million. A decrease of $0.6 million is attributable to a contract with Aramark that is being amortized over a seven year period through fiscal year 2023.

Net Position - Net investment in capital assets in the amount of $198.8 million decreased by $1.0 million, or 0.5 percent. This balance represents capital asset accounts (net of related debt) of the College's real, personal, and intangible property. The College's capital assets include land and property primarily in an area of approximately eleven city blocks in the center of downtown Charleston. The decrease in the balance is the net result of capital projects that were completed, an increase in construction in progress, and a reduction in bonds payable.

The expendable component of restricted net position increased by $4.3 million and includes funds for scholarships, research, Perkins loans, debt service, and state capital projects.

The nonexpendable component of restricted net position represents the College's permanent endowments. The College is the recipient of a permanent endowment of $100 thousand from the South Carolina Commission on Higher Education. The other endowment in the amount of $1.0 million is funded through the South Carolina Research Center of Economic Excellence Act of 2002. Please see note 12 of the financial statements for additional information regarding this endowment.

Unrestricted net position of ($252.9) million increased from the prior year's balance of ($248.5) million. This was primarily a result of increases to the net pension liability and the net OPEB liability as discussed above.

In summary, the changes in total net position provide an important indicator of the financial health of the College but should be considered in conjunction with other nonfinancial factors. Nonfinancial factors include, but are not limited to, the quality of applicants, student retention rates, building conditions, and campus safety.

Pi Kappa Phi gate welcomes visitors to enter the Cistern Yard at night.

Statement of Revenues, Expenses, and Changes in Net Position

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

	2020	2019	Increase (Decrease)	Percent Change
Revenues				
Tuition and fees*	$ 152,606,120	$ 150,548,536	$ 2,057,584	1.4%
Federal, state, and local grants and contracts	26,598,118	29,125,302	(2,527,184)	-8.7%
Sales and services of Auxiliary Enterprises*	42,845,869	51,248,634	(8,402,765)	-16.4%
Other Operating Revenue	3,614,154	3,649,840	(35,686)	-1.0%
Total Operating Revenues	$ 225,664,261	$ 234,572,312	$ (8,908,051)	-3.8%
State appropriations	$ 30,964,520	$ 27,155,563	$ 3,808,957	14.0%
Federal, state, and local grants and contracts	18,002,163	11,887,946	6,114,217	51.4%
Gifts	4,874,304	4,014,351	859,953	21.4%
Interest and investment income	3,364,000	3,029,594	334,406	11.0%
Auxiliary enterprises investment income	743,032	425,149	317,883	74.8%
Nongovernmental grants and contracts	8,193	31,278	(23,085)	-73.8%
Capital appropriations	774,183	607,631	166,552	27.4%
Total Nonoperating and Other Revenues	$ 58,730,395	$ 47,151,512	$ 11,578,883	24.6%
Total Revenues	$ 284,394,656	$ 281,723,824	$ 2,670,832	0.9%
Expenses				
Personnel cost	$ 113,690,572	$ 111,791,976	$ 1,898,596	1.7%
Benefits	53,346,820	45,571,450	7,775,370	17.1%
Supplies and services	66,094,563	75,548,918	(9,454,355)	-12.5%
Utilities	7,268,829	7,572,018	(303,189)	-4.0%
Scholarships and fellowships	20,366,448	15,777,142	4,589,306	29.1%
Depreciation	17,621,710	17,328,314	293,396	1.7%
Total Operating Expenses	$ 278,388,942	$ 273,589,818	$ 4,799,124	1.8%
Interest and amortization expense on capital assets and related debt	$ 7,146,690	$ 7,507,441	$ (360,751)	-4.8%
Loss on sale or disposal of capital assets	34,533	107,650	(73,117)	-67.9%
Total Nonoperating Expenses	$ 7,181,223	$ 7,615,091	$ (433,868)	-5.7%
Total Expenses	$ 285,570,165	$ 281,204,909	$ 4,365,256	1.6%
Change in Net Position	$ (1,175,509)	$ 518,915	$ (1,694,424)	-326.5%
Net Position, Beginning	21,233,754	20,714,839	518,915	2.5%
Net Position, Ending	**$ 20,058,245**	**$ 21,233,754**	**$ (1,175,509)**	**-5.5%**

* Net of scholarship discounts and allowances

Total revenue increased slightly by 0.9 percent to $284.4 million. Operating revenues decreased by $8.9 million. A summary of significant operating revenues follows:

- Tuition and fees increased by $2.1 million. For the 2019-2020 academic year, the Board of Trustees approved an increase in tuition of 0.8 percent for in-state students, and 3.95 percent for out-of-state students. Tuition and fees comprise the largest portion of total revenue.
- Federal, state, and local grants and contracts revenue decreased by $2.5 million or 8.7 percent. Spending on South Carolina state scholarships was down for the year, resulting in $0.9 million less in reimbursement income in 2020 in comparison to 2019. Reimbursement requests for several other grants were down as well due to decreased spending over the last 3 months of the fiscal year.
- Sales and services of auxiliary enterprises revenues decreased by $8.4 million or 16.4 percent to $42.8 million. Housing and food services revenues were most affected by the pandemic, falling by $4.6 million and $1.8 million respectively. With respect to the

impact of COVID-19 on student housing at the College, President Hsu requested on March 19th that students who were able to leave campus and return home safely do so. He required all students, with the exception of students who received emergency exemptions, to move out of on-campus or College-managed housing by March 23rd. The College issued refunds totaling $5.5 million for housing and food services. Refunds were recorded as reductions to auxiliary services revenues. The remaining $2.0 million decrease was primarily due to a $0.9 million contraction in Athletics revenues and a $0.8 million contraction in Parking revenues. The College also issued refunds totaling approximately $100 thousand for parking.

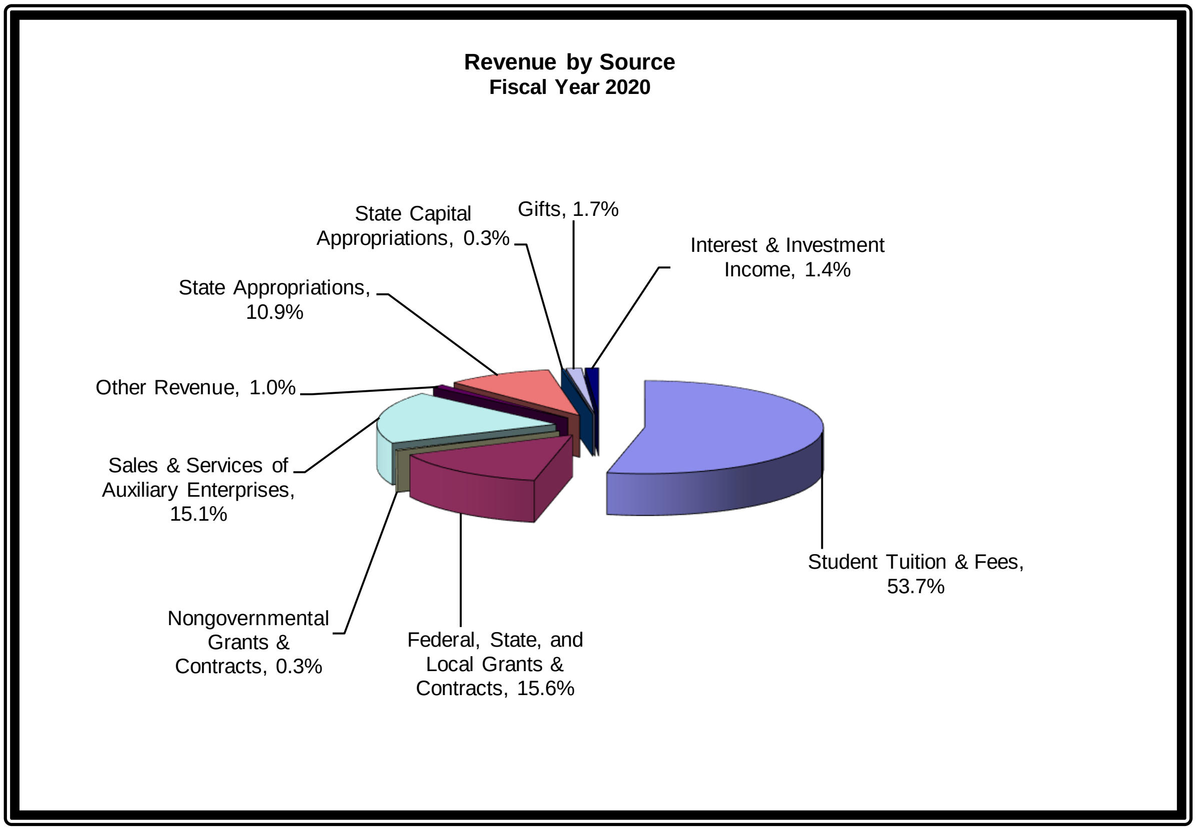
Nonoperating and other revenue increased $11.6 million, which was mostly due to the following:

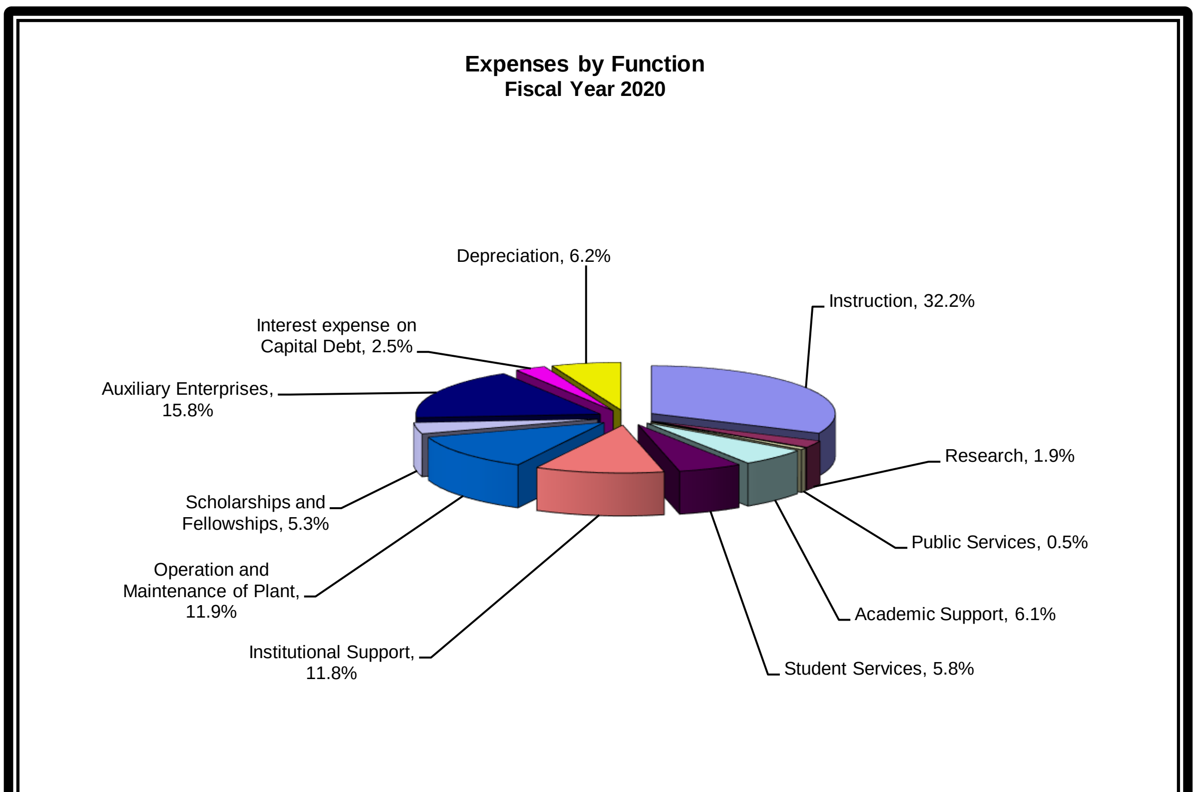
- State appropriations increased by $3.8 million. The base appropriation increased by $3.1 million. The overall increase for health, dental, and the pension employer contribution rate was $0.7 million in comparison to fiscal year 2019.
- The CARES Act, signed into law on March 27, provides relief to higher education institutions through numerous provisions. Congress set aside funds through the CARES Act for the Higher Education Emergency Relief Fund (HEERF). As a result, the College recorded $7.5 million in fiscal year 2020 as nonoperating federal grants and contracts revenue. $3.75 million of this amount is related to direct emergency aid issued to students. The remaining $3.75 million was used for a reimbursement of foregone revenue caused by the campus closure.

Total expenses increased by $4.4 million compared to the prior year. Operating expenses increased by $4.8 million and nonoperating expenses decreased by $0.4 million. Highlights include:

- Personnel costs grew by $1.9 million from the prior year, mostly due to a general base pay increase for employees who make under $100,000 per year. Although current year costs related to benefits increased by $2.0 million from the prior year, benefits expense increased by $7.8 million due to a $5.8 million increase in pension and OPEB expenses related to GASB Statements 68 and 75. Personnel and benefits costs comprise a majority of the operating expenses of the College.
- Services and supplies expense decreased by $9.5 million from the prior year. Due to the campus closure in late March, College spending declined in many areas. Significant differences include a $1.0 million reduction in housing expenses, a $1.9 million reduction in food service costs, and a $1.3 million reduction in athletics costs. Travel costs decreased by $1.8 million and general supplies decreased from $13.5 million in 2019 to $10.6 million in 2020.
- Scholarships and fellowships expense increased by $4.6 million or 29.1 percent from fiscal year 2019. The majority of this increase is due to emergency aid issued directly to students in the amount of $3.75 million.

The following charts depict the revenues by source and expenses by function.





Statement of Cash Flows

The Statement of Cash Flows also provides information about the College's financial health by reporting the cash receipts and cash payments of the College during the year ended June 30, 2020. A synopsis of the Statement of Cash Flows follows.

Condensed Statement of Cash Flows

	2020	2019	Increase (Decrease)	Percent Change
Net cash used for operating activities	$ (33,890,731)	$ (13,251,473)	$ (20,639,258)	-155.8%
Net cash provided by noncapital financing activities	52,840,180	43,372,369	9,467,811	21.8%
Net cash used for capital debt and related financing activities	(19,464,536)	(23,129,374)	3,664,838	15.8%
Net cash provided by investing activities	716,788	366,129	350,659	-95.8%
Net change in cash and cash equivalents	$ 201,701	$ 7,357,651	$ (7,155,950)	-97.3%
Cash and cash equivalents, Beginning of Year	164,846,071	157,488,420	7,357,651	4.7%
Cash and cash equivalents, End of Year	**$ 165,047,772**	**$ 164,846,071**	**$ 201,701**	**0.1%**

The College's total cash balance was essentially unchanged from the prior year. The unrestricted and restricted components of cash were stable as well. There were some significant changes within the different sections of the cash flow statement that help to explain the overall movement of cash during the year.

The College used $33.9 million for operating activities during the year as opposed to only $13.3 million in fiscal year 2019. During the year, salaries and benefits increased $4.1 million due primarily to a 2 percent pay increase. Additionally, payments to students for scholarships and fellowships increased by $4.6 million, mostly due to emergency aid related to the pandemic. The largest decrease in comparison to the prior year was a reduction of $8.6 million in cash inflows from sales and services of auxiliary enterprises. Grants and contracts inflows were down by $6.9 million or 22.6 percent. Payments for supplies and utilities were down by $1.0 million.

Cash related to noncapital financing activities increased by $9.5 million. An increase in State Appropriations accounts for $3.8 million of this change and the remainder is primarily due to reimbursements related to the CARES Act.

In the Capital Debt and Related Financing section, principal payments on capital debt decreased by $2.6 million. This is because the College retired $2.5 million in State Institutional Bonds during fiscal year 2019.

As of June 30, 2020, cash and cash equivalents made up 28.4 percent of the total assets of the College.

Capital Assets

A synopsis of the net capital assets for the fiscal years ended 2020 and 2019 further illustrates the significant changes between the accounting periods.

Capital Assets

	2020	2019	Increase (Decrease)	Percent Change
Land	$ 48,054,141	$ 48,054,141	$ -	0.0%
Construction in progress	8,586,207	7,342,433	1,243,774	16.9%
Land improvements	4,968,429	4,968,429	-	0.0%
Buildings	368,221,834	368,221,834	-	0.0%
Building improvements	179,445,363	173,108,573	6,336,790	3.7%
Machinery, equipment, and other	33,582,556	33,918,205	(335,649)	-1.0%
Information technology equipment and software	7,941,698	7,941,698	-	0.0%
Motor vehicles	411,307	426,096	(14,789)	-3.5%
Accumulated depreciation	(256,877,105)	(240,733,250)	(16,143,855)	6.7%
Total Capital Assets - Net	**$ 394,334,430**	**$ 403,248,159**	**$ (8,913,729)**	**-2.2%**

Construction in progress and building improvements increased moderately during the fiscal year. Construction continued on the Sottile Theatre stage, campus housing at 90 Wentworth Street, and the Calhoun Annex. Other projects were added to construction in progress including renovations to the Kelly House walkway and campus housing at 10 and 20 Warren Street. The College completed renovations totaling $6.3 million in McConnell Hall, Avery Research Center, and a campus dining facility. Depreciation expense for buildings and building improvements totaled $15.2 million during the year. For more detailed information on capital asset activity, refer to Note 5 in the Notes to the Financial Statements.

Economic Outlook

The state finished the 2020 fiscal year with a surplus of $672 million plus a balance of $103 million in its Contingency Reserve. These are critical resources to state government as it continues to face significantly increased costs and decreased revenues caused by the pandemic. The state Retirement System has been impacted as well. While the General Assembly previously created a plan to pay off the system's $23 billion funding shortfall, the plan has been suspended for the year[1].

On May 18, 2020, Governor Henry McMaster signed a continuing resolution which funds the ordinary expenses of state government at fiscal year 2020 levels. The fiscal year 2021 began without the passage of the annual general appropriations act.

On June 9, 2020, the Board of Trustees approved a tuition freeze for undergraduate and graduate students for the 2021 academic year. The College resumed virtual classes on August 24, 2020 and intends to return to in person instruction on September 14, 2020. The extent to which COVID-19 impacts the future operations and financial condition of the College will depend on future developments, some of which may not be within the control of the College.

[1] South Carolina Office of the Comptroller General, year end press release, August 27, 2020.

More Information

This financial report is designed to provide a general overview of the College's finances. Any questions or requests for information may be addressed to: Dawn Willan, Interim Vice President for Fiscal Services and Controller, College of Charleston.

BASEBALL TEAM, 1905-1906

Top, L-R: Moore, Beader
Middle, L-R: Aimar, Skinner, Brown, Wilson, Leggs, Allison Lee
Bottom, L-R: Arthur Lee Mixson, McCabe, Broyles, Horton.

College of Charleston's baseball team poses for a photo on the steps of Towell Library, 1905.

COLLEGE OF CHARLESTON
STATEMENT OF NET POSITION
JUNE 30, 2020

Assets		
Current Assets		
Cash and cash equivalents	$	69,821,313
Cash and cash equivalents, restricted		94,505,770
Accounts receivable, net		2,560,095
Grants and contracts receivable		6,023,188
Component unit receivable		2,819,968
Interest income receivable		240,876
Prepaid items		6,487,416
Inventories		312,890
Other assets		9,773
Total Current Assets	**$**	**182,781,289**
Noncurrent Assets		
Cash and cash equivalents, restricted	$	720,689
Component unit receivable, restricted		1,357,334
Student loans receivable		875,275
Prepaid items		1,498,919
Capital assets not being depreciated		56,640,348
Capital assets, net of accumulated depreciation		337,694,082
Total Noncurrent Assets	**$**	**398,786,647**
Total Assets	**$**	**581,567,936**
Deferred Outflows of Resources		
Deferred outflows - pension	$	23,831,465
Deferred outflows - OPEB		22,678,772
Deferred loss on debt refundings		656,418
Total Deferred Outflows of Resources	**$**	**47,166,655**
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	$	5,961,133
Accrued payroll and related liabilities		9,791,324
Retainage payable		270,885
Unearned revenues		5,365,055
Deposits held for others		207,787
Student deposits		1,722,982
Compensated absences payable		2,497,961
Accrued interest payable		1,835,364
Bonds and notes payable		8,488,304
Other liabilities		31,556
Total Current Liabilities	**$**	**36,172,351**
Noncurrent Liabilities		
Compensated absences payable	$	2,995,241
Bonds and notes payable		187,052,890
Federal capital contribution		1,414,474
Net pension liability		179,983,759
Net OPEB liability		177,721,653
Total Noncurrent Liabilities	**$**	**549,168,017**
Total Liabilities	**$**	**585,340,368**
Deferred Inflows of Resources		
Deferred inflows - pension	$	2,688,805
Deferred inflows - OPEB		19,504,316
Deferred inflows - other		1,142,857
Total Deferred Inflows of Resources	**$**	**23,335,978**
Net Position		
Net investment in capital assets	$	198,753,163
Restricted for:		
Nonexpendable		
Endowed professorship		100,000
Endowment other		1,000,000
Expendable		
Scholarships and fellowships		243,770
Research		3,882,919
Loans		93,529
Capital projects		61,597,104
Debt service		7,272,215
Unrestricted		(252,884,455)
Total Net Position	**$**	**20,058,245**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

Operating Revenues		
Tuition and related fees ($9,370,544 pledged for debt service; net of scholarship discounts and allowances of $36,775,759)	$	152,606,120
Federal grants and contracts		4,760,302
State grants and contracts		21,640,860
Local grants and contracts		196,956
Nongovernmental grants and contracts		735,312
Educational activities revenues		367,540
Student organizations generated revenues		1,651,913
Sales and services of auxiliary enterprises		
Revenues not pledged for debt service		
Athletics (net of scholarship discounts and allowances of $2,556,597)		12,788,580
Health services (net of scholarship discounts and allowances of $273,921)		1,310,129
Rental, vending, bookstore, and debit card		1,013,316
Revenues pledged for debt service		
Housing (net of scholarship discounts and allowances of $4,200,124)		16,548,271
Food service (net of scholarship discounts and allowances of $2,100,062)		9,191,403
Parking		1,994,170
Other sources		859,389
Total Operating Revenues	**$**	**225,664,261**
Operating Expenses		
Personnel costs	$	113,690,572
Benefits		53,346,820
Supplies and services		66,094,563
Utilities		7,268,829
Scholarships and fellowships		20,366,448
Depreciation		17,621,710
Total Operating Expenses	**$**	**278,388,942**
Operating Loss	**$**	**(52,724,681)**
Nonoperating Revenues (Expenses)		
State appropriations	$	30,964,520
Federal grants and contracts		17,878,716
Gifts		4,874,304
Auxiliary enterprises interest and investment income		743,032
Interest and investment income		3,364,000
Interest and amortization expense on capital assets and related debt		(7,146,690)
State grants and contracts		122,804
Nongovernmental grants and contracts		8,193
Local grants and contracts		643
Loss on sale or disposal of capital assets		(34,533)
Total Net Nonoperating Revenues	**$**	**50,774,989**
Loss Before Other Revenues	**$**	**(1,949,692)**
Other Revenues		
Capital appropriations	$	774,183
Total Other Revenues	**$**	**774,183**
Change In Net Position	**$**	**(1,175,509)**
Net Position, Beginning of Year		21,233,754
Net Position, End of Year	**$**	**20,058,245**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

Cash Flows From Operating Activities		
Tuition and fees	$	152,791,508
Grants and contracts		23,442,542
Sales and services of education and other activities		2,019,453
Sales and services of auxiliary enterprises		42,737,775
Other operating revenues		725,359
Payments to employees for salaries and benefits		(155,548,661)
Payments to suppliers		(72,525,375)
Payments for utilities		(7,268,829)
Payments to students for scholarships and fellowships		(20,366,448)
Collection of loans from students - Perkins loan program receipts		227,859
Repayment of excess cash to Perkins program		(219,964)
Deposits held for others		94,050
Student direct lending receipts		51,530,323
Student direct lending disbursements		(51,530,323)
Net Cash Used for Operating Activities	**$**	**(33,890,731)**
Cash Flows From Noncapital Financing Activities		
State appropriations	$	30,964,520
Gifts and grants for other than capital purposes		21,875,660
Net Cash Provided by Noncapital Financing Activities	**$**	**52,840,180**
Cash Flows From Capital Debt And Related Financing Activities		
Proceeds from state capital appropriations	$	774,183
Proceeds from capital grants and gifts		688,165
Purchases of capital assets		(8,942,125)
Proceeds from sales of capital assets		24,328
Principal paid on capital debt		(7,545,000)
Principal paid on note payable		(181,235)
Proceeds from investments in capital and related financing activities		3,364,000
Interest paid on capital related debt		(7,646,852)
Net Cash Used for Capital Debt And Related Financing Activities	**$**	**(19,464,536)**
Cash Flows From Investing Activities		
Proceeds from interest on investments	$	716,788
Net Cash Provided by Investing Activities	**$**	**716,788**
Net change in cash and cash equivalents	$	201,701
Cash and cash equivalents - Beginning of the Year		164,846,071
Cash and Cash Equivalents - End of the Year	**$**	**165,047,772**
Reconciliation of operating loss to net cash used for operating activities		
Operating loss	$	(52,724,681)
Adjustments to reconcile operating loss to net cash used for operating activities		
Depreciation		17,621,710
Amortization of net pension and OPEB liabilities		10,727,654
Deferred inflows-other		(571,429)
Changes in assets and liabilities:		
Deposits held for others		94,050
Accounts, grants and contracts, and component unit receivables, net		(4,216,358)
Inventories		(29,515)
Student loans receivable		227,859
Prepaid items		(2,996,385)
Accounts payable and accrued expenses		(2,941,538)
Compensated absences payable and related liabilities		649,168
Unearned revenues		704,266
Student deposits		(435,532)
Net Cash Used for Operating Activities	**$**	**(33,890,731)**
Reconciliation of Cash and Cash Equivalent Balances:		
Current assets		
Cash and cash equivalents	$	69,821,313
Cash and cash equivalents, restricted		94,505,770
Noncurrent assets		
Cash and cash equivalents, restricted		720,689
Total Cash and Cash Equivalents	**$**	**165,047,772**
Non Cash Transactions		
Increase in component unit receivable	$	13,393
Loss on sale of capital assets	$	58,861

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON FOUNDATION AND SUBSIDIARIES
NONGOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

Assets		
Cash and cash equivalents	$	684,668
Unconditional promises to give, net		6,805,655
Other assets		1,335,878
Investments		120,062,611
Property and equipment, net		5,657,707
Collections		9,326,373
Total Assets	**$**	**143,872,892**
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	$	115,990
Annuities payable		45,266
Marine Genomics grant obligation (College of Charleston)		1,357,334
Total Liabilities	$	1,518,590
Net Assets		
Without donor restrictions:		
Board designated quasi endowment	$	7,721,070
Undesignated		8,068,822
Total Without Donor Restrictions	$	15,789,892
With donor restrictions:		
Purpose restrictions	$	59,130,161
Time-restricted for future periods		299,548
Perpetual in nature		67,134,701
Total With Donor Restrictions	$	126,564,410
Total Net Assets	$	142,354,302
Total Liabilities and Net Assets	**$**	**143,872,892**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON FOUNDATION AND SUBSIDIARIES
NONGOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains, (Losses), and Other Support			
Revenue and Gains			
Contributions	$ 689,568	$ 8,807,877	$ 9,497,445
Rental income	695,491	-	695,491
Interest and dividend income, net	100,565	(2,203)	98,362
Realized and unrealized gains (losses) on investments, net	923,507	6,109,618	7,033,125
Special events, net	-	10,357	10,357
Other income, net	7,914	357,236	365,150
Loss on sale of property and equipment	(19,297)	-	(19,297)
Changes in value of split interest agreements	-	5,990	5,990
Total Revenue and Gains	$ 2,397,748	$ 15,288,875	$ 17,686,623
Net assets released from restrictions and administrative surcharges	$ 11,026,581	$ (11,026,581)	$ -
Total Revenue, Gains and Other Support	$ 13,424,329	$ 4,262,294	$ 17,686,623
Expenses			
Program			
Student aid and recognition	$ 3,640,691	$ -	$ 3,640,691
Programs of education, research, and student and faculty enrichment	5,805,975	-	5,805,975
Total Program Expenses	$ 9,446,666	$ -	$ 9,446,666
Supporting Services			
General and administrative	$ 834,827	$ -	$ 834,827
Fundraising	1,676,547	-	1,676,547
Total Supporting Services	$ 2,511,374	$ -	$ 2,511,374
Total Expenses	$ 11,958,040	$ -	$ 11,958,040
Change in Net Assets	$ 1,466,289	$ 4,262,294	$ 5,728,583
Net Assets, Beginning of Year	$ 14,323,603	$ 122,302,116	$ 136,625,719
Net Assets, End of Year	**$ 15,789,892**	**$ 126,564,410**	**$ 142,354,302**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON ATHLETIC FUND d/b/a - COUGAR CLUB
NONGOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

Current Assets		
Cash and cash equivalents	$	1,360,381
Accounts receivable		25,417
Due from related parties		7,620
Total Current Assets	**$**	**1,393,418**
Noncurrent Assets		
Property and equipment, net of accumulated depreciation	$	674,061
Total Assets	**$**	**2,067,479**
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$	66,131
Due to related parties		43,682
Current portion of long-term debt		23,789
Deferred revenue		700,213
Total Current Liabilities	**$**	**833,815**
Noncurrent Liabilities		
Long-term debt, net of current portion	$	30,303
Total Liabilities	**$**	**864,118**
Net Assets		
Without donor restrictions	$	215,933
Without donor restrictions - board designated		449,981
With donor restrictions		537,447
Total Net Assets	$	1,203,361
Total Liabilities and Net Assets	**$**	**2,067,479**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON ATHLETIC FUND d/b/a - COUGAR CLUB
NONGOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions and memberships	$ 1,033,046	$ 905,356	$ 1,938,402
Special events	187,646	-	187,646
Less: Direct benefit to donor	(95,032)	-	(95,032)
In-kind contributions	692,350	-	692,350
Interest income	5,923	968	6,891
Other income	18,350	-	18,350
Net assets released from restrictions	722,850	(722,850)	-
Total Revenue and Support	$ 2,565,133	$ 183,474	$ 2,748,607
Expenses			
Program Services	$ 1,307,330	$ -	$ 1,307,330
Management and general	206,999	-	206,999
Fundraising	107,995	-	107,995
Total Program Expenses	$ 1,622,324	$ -	$ 1,622,324
Change in Net Assets	$ 942,809	$ 183,474	$ 1,126,283
Beginning Net Assets, As Originally Stated	$ 577,125	$ 353,973	$ 931,098
Prior period restatement	(854,020)	-	(854,020)
Beginning Net Assets, Restated	$ (276,895)	$ 353,973	$ 77,078
Net Assets, End of Year	**$ 665,914**	**$ 537,447**	**$ 1,203,361**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Students attending the annual Involvement Fair in Cistern Yard.

College Mall from Randolph Hall looking towards Calhoun St., 1980

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The College of Charleston (the College) is a state-supported institution of higher education. The College's main purpose is to provide a world-class liberal arts education to undergraduate and graduate students. The College is committed to attracting the most promising students from South Carolina, other states in the nation, and from around the world. The College is a component unit of the State of South Carolina (the State) and its financial statements are included in the Comprehensive Annual Financial Report (CAFR) of the State.

The accompanying basic financial statements present the statement of net position, statement of revenues, expenses, and changes in net position, and the statement of cash flows of the College. The financial statements include all individual schools and departments. The financial statements also include all funds and accounts of the College and all component units.

As defined by Generally Accepted Accounting Principles (GAAP) established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationships with the primary government are such that exclusion would cause the financial statements to be misleading or incomplete. Accordingly, the financial statements include the accounts of the College, as the primary government, and the accounts of its nongovernmental discretely presented component units, the College of Charleston Foundation and Subsidiaries (the Foundation) and the College of Charleston Athletic Fund d/b/a – Cougar Club (the Cougar Club).

The Foundation is a separately chartered corporation formed primarily to provide financial assistance and scholarships to the College. The Foundation reports under the Financial Accounting Standards Board (FASB) and its fiscal year runs concurrently with that of the College.

The Cougar Club is a separately chartered corporation organized exclusively to provide financial assistance and scholarships to the College's Athletic Department. The Cougar Club reports under FASB, and its fiscal year runs concurrently with that of the College.

Financial Statement Presentation

The financial statement presentation for the College meets the requirements of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,* GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities-an amendment of GASB Statement No. 34* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* The financial statement presentation provides a comprehensive, entity-wide perspective of the College's Net Position, Revenues, Expenses, and Changes in Net Position and Cash Flows.

In addition, and as per GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units-an amendment to GASB Statement No. 14* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34,* its component units are discretely presented in the report.

Basis of Accounting

For financial reporting purposes, the College is considered a special purpose government engaged only in business-type activities. Accordingly, the College's financial statements reflect the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Student tuition and fees and auxiliary enterprise fees are presented net of scholarship discounts and allowances applied to student accounts, while stipends and other payments made directly are presented as scholarship and fellowship expenses. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents

The amounts shown in the financial statements in the College funds as "cash and cash equivalents" represent petty cash, cash on deposit in banks, cash on deposit with the State Treasurer, cash invested in various instruments by the State Treasurer as part of the State's internal cash management pool, as well as cash invested in various short-term investments by the State Treasurer, and held in separate agency accounts.

Most State agencies including the College participate in the State's internal cash management pool. Because the cash management pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. The State Treasurer administers the cash management pool. The pool includes some long-term investments such as obligations of the United States and certain agencies of the United States, obligations of the State of South Carolina, and certain of its political subdivisions, certificates of deposit and certain corporate bonds.

The State's internal cash management pool consists of a general deposit account and several special deposit accounts. The State records each fund's equity interest in the general deposit account; however, all earnings on the account are credited to the General Fund of the State. The College records its deposits in the general deposit account at cost. It records and reports its special deposit account at fair value.

For purposes of the Statement of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State of South Carolina State Treasurer's Office are considered cash equivalents.

Investments

The College accounts for its investments at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application.* Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position.

Accounts Receivable

Accounts Receivable consist primarily of tuition and fee charges to students, gift receivables, and auxiliary enterprise services provided to students, and other outside entities. Accounts receivable also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts. Student loans receivable consist of amounts due from the Federal Perkins Loan Program.

Inventories and Prepaid Items

The College reports inventories using the consumption approach for which goods are recorded as assets at the time of purchase and recognition of the expenditures is deferred until the goods are consumed. Inventories are carried at cost. The cost of inventory is reported on a first in, first out basis. Items accounted for as inventories include maintenance, janitorial, housing, and office supplies. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets are recorded at cost at the date of acquisition. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The College follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in, or on the land itself, are recorded as depreciable land improvements. Major additions and renovations and other improvements that add to the usable space, prepare existing space for new uses or extend the useful life of an existing building are capitalized.

The College capitalizes moveable personal property with a unit value of $5,000 or more and a useful life more than one year; additionally, the College capitalizes depreciable land improvements, buildings and building improvements; and intangible assets costing $100,000 or more. Routine repairs and maintenance, and library materials, except individual items costing $5,000 or more, are charged to operating expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the asset, generally 15 to 50 years for buildings, building improvements and land improvements; and 3 to 25 years for machinery, equipment, and vehicles; and 3 years for intangible assets. For assets capitalized prior to fiscal year 2012, a full year of depreciation was taken during the year the asset was placed in service, and no depreciation was taken in the year of disposition. Beginning in fiscal year 2012, capital assets are depreciated based on the number of months the asset is in service during the fiscal year. The change in depreciation method was required by the State of South Carolina.

Unearned Revenues and Deposits

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Deposits include residence hall deposits, advance tuition payments, and other miscellaneous deposits. Student deposits are recognized as revenue during the semester for which the fee to which the deposit relates is applicable and earned when the deposit is nonrefundable to the student under the forfeit terms of the agreement.

Rebatable Arbitrage

Arbitrage involves the investment of proceeds from the sale of tax-exempt securities in a taxable investment that yields a higher rate of return, resulting in income more than interest costs. Federal law requires entities to rebate to the government such income on tax-exempt debt if the yield from these earnings exceeds the effective yield on the related tax-exempt debt issued.

Governmental units that issue no more than $5 million in total of all such debt in a calendar year are exempt from the rebate requirements. For this purpose, tax-exempt indebtedness includes bonds, certain capital leases, and installment purchases. Rebates are payable every five years or at maturity of the debt, whichever is earlier. However, the potential liability is calculated annually for financial reporting purposes. The liability and expense incurred are recorded at year end to accrued accounts payable in the Statement of Net Position, and as an expense in the Statement of Revenues, Expenses, and Changes in Net Position.

The College is not aware of any rebatable arbitrage liabilities as of June 30, 2020.

Noncurrent Liabilities

Noncurrent liabilities include (1) principal amounts of bonds payable; (2) estimated amounts for accrued compensated absences; (3) net pension and OPEB liabilities, and (4) other liabilities that, although payable within one year, are to be paid from funds that are classified as noncurrent assets.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS), and additions to/deductions from SCRS' and PORS' fiduciary net position, have been determined on the same basis as they are reported by SCRS or PORS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A plan's Net Pension Liability (NPL) is determined by reducing its total pension liability by its fiduciary net position. Total pension liability is defined by the GASB as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service in conformity with the requirements of GASB 67 *Financial Reporting for Pension Plans-An Amendment of GASB Statement No. 25.* Total pension liability may be impacted annually by the cost of service accrued by participants, interest accrued on the liability, the impact of benefit and assumption changes, the cost of benefit payments, and the difference between expected and actual plan experience. The most significant impact on a plan's fiduciary net position relates to the rate of return on its investments. Consequently, significant fluctuations in the fair value of investments substantially affect the fiduciary net position component of the NPL calculation, and as a result, cause a direct change in the NPL.

The financial reporting changes required by GASB 68 *Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No. 27* are likely to result in increased volatility in an employer's reported proportionate share of the NPL from one year to the next. Regardless of the NPL reported on the employer's financial statements, the employer is responsible only for making the contributions required by state law during any given year. Employers cannot pay down or pay off their proportionate share of the NPL because SCRS and PORS are multiple employer, cost-sharing defined benefit plans.

Changes in net pension liability not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions after the measurement date of the net pension liability are reported as deferred outflows of resources.

Postemployment Benefits Other Than Pensions

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value. The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position.

Changes in net OPEB liability not included in OPEB expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions after the measurement date of the net OPEB liability are reported as deferred outflows of resources.

Compensated Absences

Generally, all permanent full-time State employees and certain part-time employees scheduled to work at least one half of the agency's workweek are entitled to accrue and carry forward at calendar year-end maximums of 180 days sick leave and 45 days annual vacation leave. Upon termination of State employment, employees are entitled to be paid for accumulated unused annual vacation leave up to the maximum but are not entitled to any payment for unused sick leave. The compensated absences liability includes accrued annual leave. The College calculates the compensated absences liability based on recorded balances of unused leave for which the employer expects to compensate employees through cash payments at termination.

The net change in the liability is recorded in the current year in the applicable functional expense categories. The liability and expenses are recorded at year-end as compensated absences payable in the Statement of Net Position, and as a component of personnel cost and benefits expense in the Statement of Revenues, Expenses, and Changes in Net Position.

Perkins Loans Receivable and Related Liability

The loans receivable on the Statement of Net Position is due to the College under the Perkins Loan Program. This program is funded primarily by the federal government with the College providing a required match. The amount reported as the Perkins liability is the amount of cumulative federal contributions which would require repayment to the federal government if the College ceases to participate in the program. Under federal law, the authority to make new Perkins loans ended on September 30, 2017, with final disbursements permitted through June 30, 2018.

Net Position

The College's net position is classified as follows:

Net investment in capital assets: This category represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included.

Restricted net position – nonexpendable: Nonexpendable restricted net position consists of endowment and similar type funds which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Restricted net position – expendable: Restricted expendable net position includes resources which the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, appropriations, and sales and services of educational departments. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services to students, faculty, and staff.

College policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Income Taxes

The College, as a political subdivision of the State of South Carolina, is excluded from federal income taxes under Section 115 (1) of the Internal Revenue Code, as amended.

The Internal Revenue Service has determined that the Foundation and the Cougar Club qualify as exempt organizations under Internal Revenue Code Section 501(c)(3) and as such are exempt from taxation on related income.

Classification of Revenues and Expenses

The College has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating revenues and expenses: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances; (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances; (3) federal, state, and local grants and contracts for services that finance programs the College would not otherwise undertake; (4) receipts for scholarships where the provider has identified the student recipients; and (5) fees received from organizations and individuals in exchange for miscellaneous goods and services provided by the College. Operating expenses include all expense transactions incurred other than those related to investing, capital, or noncapital financing activities.

Nonoperating revenues and expenses: Nonoperating revenues include activities that have the characteristics of non-exchange transactions. These revenues include gifts and contributions, appropriations, investment income, and any grants and contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital purposes. Nonoperating expenses include interest and amortization expense on capital asset-related debt and losses on the sale or disposal of capital assets.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, are recorded as nonoperating revenues in the College's financial statements. To the extent that revenues are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Sales and Services of Educational and Other Activities

Revenues from sales and services of educational and other activities generally consist of amounts received from instructional, laboratory, research, and public service activities that incidentally create goods and services which may be sold to students, faculty, staff, and the general public. The College receives such revenues primarily from the public.

Auxiliary Enterprises and Internal Service Activities

Auxiliary enterprise revenues primarily represent revenues generated by intercollegiate athletics, parking, bookstore, food services, housing, health services, debit card, and vending. Revenues of internal auxiliary enterprise activities and the related expenditures of College departments have been eliminated.

Use of Estimates in Accounting

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows, deferred outflows, revenues, and expenditures/expenses, and affect disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

New Accounting Pronouncements

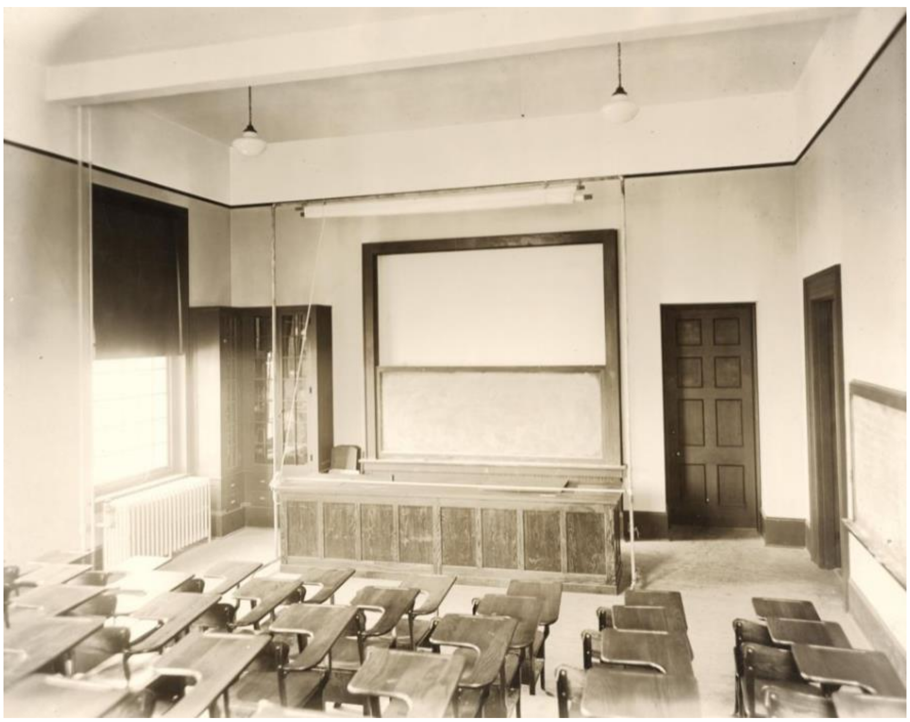
In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments in light of the COVID-19 pandemic, effective immediately. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides for the following pronouncements:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

The College has adopted Statement No. 95 in the fiscal year ended June 30, 2020. The adoption had no effect on the College's financial statements, with exception of the implementation of Statement No. 89 as noted below.

Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* was effective for reporting periods beginning after December 15, 2019 and should be applied prospectively. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The College adopted this Statement in fiscal year ended June 30, 2020.

Other accounting standards that have been issued or proposed by the GASB or other standards-setting bodies are not expected to have a material impact on the College's financial position, changes in net position, or cash flows.



Lecture Hall inside Randolph Hall, 1900.

NOTE 2 – CASH AND CASH EQUIVALENTS, OTHER DEPOSITS, AND INVESTMENTS

The majority of deposits and investments of the College are under the control of the State Treasurer, who, by law, has sole authority for investing State funds. Information pertaining to the reported amounts, fair values, and credit risk of the State Treasurer's deposits and investments is disclosed in the CAFR of the State of South Carolina.

The following schedule as of June 30, 2020, reconciles deposits and investments in the notes to the Statement of Net Position amounts:

Schedule of Deposits and Investments
as of June 30, 2020

Statement of Net Position		
Current assets		
Cash and cash equivalents	$	69,821,313
Cash and cash equivalents, restricted		94,505,770
Noncurrent assets		
Cash and cash equivalents, restricted		720,689
	$	**165,047,772**
Deposits and Investments		
Cash on hand	$	5,107
Deposits held by State Treasurer		164,837,781
Deposits held by banks		204,884
	$	**165,047,772**

Deposits Held by State Treasurer

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the deposits of the College may not be returned. For deposits held by the State Treasurer, State law requires full collateralization of all State Treasurer bank balances. The State Treasurer must correct any deficiencies in collateral within seven days. At June 30, 2020, all State Treasurer bank balances were fully insured or collateralized with securities held by the State or by its agents in the State's name.

With respect to investments in the State's internal cash management pool, all of the State Treasurer's investments are insured or registered or are investments for which the securities are held by the State or its agents in the State's name. Information pertaining to the reported amounts, fair values, credit risk, interest rate risk, and concentration risk of the State Treasurer's investments is disclosed in the CAFR of the State of South Carolina.

With respect to the College's other deposits at year-end, all of these deposits are either insured or collateralized with securities held by the entity or by its agent in the entity's name or collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

The College owns $197,867 of other deposits which are held in a separate checking account used for Perkins Loans collections. Federal Depository Insurance Corporation (FDIC) covers the deposit accounts up to the FDIC limit of $250,000.

Restricted Cash Deposits

Current restricted cash deposits of $94,505,770 consist of $84,541,155 for capital project accounts and $9,964,615 for debt service accounts. Noncurrent restricted cash deposits include amounts for endowment funds, student loan funds, and unrealized appreciation associated with amounts held by the State Treasurer.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2020, are summarized as follows:

Student accounts	$	1,621,119
Other		626,731
Auxiliary enterprises		557,245
Total accounts receivable	$	2,805,095
Allowance for bad debts	$	(245,000)
Federal grants and contracts	$	5,622,096
State grants and contracts		205,725
Nongovernmental grants and contracts		189,913
Local grants and contracts		5,454
Total grants and contracts receivable	$	6,023,188
Component unit	$	4,177,302
Interest income		240,876
Student loans		875,275
Total other receivables	$	5,293,453
Net Accounts Receivable	**$**	**13,876,736**

Allowances for losses on student accounts receivable are established based upon actual losses incurred in prior years and/or evaluations of the current account portfolio. At June 30, 2020, the allowance for bad debts on student accounts is estimated at $235,000 and $10,000 for non-student accounts.

NOTE 4 – LOANS RECEIVABLE

Student loans made through the Federal Perkins Loan Program comprise substantially all the loan's receivable as of June 30, 2020. The Perkins Loan Program provides various repayment options. Students have the right to repay the loans over periods up to ten years depending on the amount of the loan and loan cancellation privileges the student may exercise. These loans are classified as noncurrent receivables. If the College determines that loans are uncollectible, the loans are written off and assigned to the U.S. Department of Education.

NOTE 5 – CAPITAL ASSETS

	Beginning Balance 6/30/2019	Increases	Decreases	Ending Balance 6/30/2020
Capital assets not being depreciated:				
Land	$ 48,054,141	$ -	$ -	$ 48,054,141
Construction in progress	7,342,433	7,580,564	(6,336,790)	8,586,207
Total capital assets not being depreciated	$ 55,396,574	$ 7,580,564	$ (6,336,790)	$ 56,640,348
Depreciable capital assets:				
Land improvements	$ 4,968,429	$ -	$ -	$ 4,968,429
Buildings	368,221,834	-	-	368,221,834
Building improvements	173,108,573	6,336,790	-	179,445,363
Machinery, equipment, and other	33,918,205	1,186,278	(1,521,927)	33,582,556
Information technology equipment and software	7,941,698	-	-	7,941,698
Motor vehicles	426,096	-	(14,789)	411,307
Total depreciable capital assets	$ 588,584,835	$ 7,523,068	$ (1,536,716)	$ 594,571,187
Less accumulated depreciation:				
Land improvements	$ 4,234,037	$ 51,910	$ -	$ 4,285,947
Buildings	154,711,680	8,610,515	-	163,322,195
Building improvements	51,030,655	6,570,173	-	57,600,828
Machinery, equipment, and other	22,451,211	2,355,630	(1,463,066)	23,343,775
Information technology equipment and software	7,941,698	-	-	7,941,698
Motor vehicles	363,969	33,482	(14,789)	382,662
Total accumulated depreciation	$ 240,733,250	$ 17,621,710	$ (1,477,855)	$ 256,877,105
Depreciable capital assets, net	$ 347,851,585	$ (10,098,642)	$ (58,861)	$ 337,694,082
Capital assets, net	**$ 403,248,159**	**$ (2,518,078)**	**$ (6,395,651)**	**$ 394,334,430**

During fiscal year 2020, depreciation expense was $17,621,710. The College adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* during fiscal year 2020. With the adoption of this Statement, interest expense is no longer capitalized and expensed in the Statement of Revenues, Expenses and Changes in Net Position. In addition, the College disposed of assets with a net book value of $58,861. The loss derived from the sale of assets totaled $34,533.

NOTE 6 – PENSION PLANS

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Descriptions

- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

- The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the S.C. General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

- The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A summary of the requirements under each system is presented below.

- **SCRS** – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

- **State ORP** – As an alternative to membership in SCRS, certain newly hired state, public school, and higher education employees and individuals first elected to the S.C. General Assembly at or after the November 2012 general election have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

- **PORS** – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least $2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A summary of the benefit terms for each system is presented below.

- **SCRS** – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class

Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

- **PORS** – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

  The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

World War I Commissioning exercises outside Harrison Randolph Hall, 1917.

Construction of Randolph Hall, the most recognizable building at the College, began in 1828 under the direction of architect William Strickland.

Required **employee** contribution rates[1] are as follows:

	Fiscal Year 2020[1]	Fiscal Year 2019[1]
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
State ORP Employee	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required **employer** contribution rates[1] are as follows:

	Fiscal Year 2020[1]	Fiscal Year 2019[1]
SCRS		
Employer Class Two	15.41%	14.41%
Employer Class Three	15.41%	14.41%
Employer Incidental Death Benefit	0.15%	0.15%
State ORP		
Employer Contribution[2]	15.41%	14.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	17.84%	16.84%
Employer Class Three	17.84%	16.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

Actuarial Assumptions and Methods

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2015.

[1] Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

[2] Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP service provider to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

The June 30, 2019, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2018. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2019, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2019.

	SCRS	**PORS**
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return[3]	7.25%	7.25%
Projected salary increases	3% to 12.5% (varies by service)[3]	3% to 9.5% (varies by service)[3]
Benefit adjustments	lesser of 1% or $500 annually	lesser of 1% or $500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

Assumptions used in the determination of the June 30, 2019, TPL are as follows.

Former Job Class	**Males**	**Females**
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

[3] Includes inflation at 2.25%

Net Pension Plan Liability

The NPL is calculated separately for each system and represents that system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2019, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	$ 50,073,060,256	$ 27,238,916,138	$ 22,834,144,118	54.4%
PORS	7,681,749,768	4,815,808,554	2,865,941,214	62.7%

The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

At June 30, 2020, the College reported liabilities of $176,324,659 and $3,659,100 for its proportionate shares of the SCRS and PORS net pension liabilities, respectively. The net pension liabilities were measured as of June 30, 2019. The College's proportionate shares of the net pension liabilities were based on a projection of the College's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the College's proportionate shares of the SCRS and PORS plans were 0.77 percent and 0.13 percent, respectively.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Equity	**51.00%**		
Global Public Equity[4,5]	35.00%	7.29%	2.55%
Private Equity[5,6]	9.00%	7.67%	0.69%
Equity Options Strategies[4]	7.00%	5.23%	0.37%
Real Assets	**12.00%**		
Real Estate (Private)[5,6]	8.00%	5.59%	0.45%
Real Estate (REITs)[5]	1.00%	8.16%	0.08%
Infrastructure (Private)[5,6]	2.00%	5.03%	0.10%
Infrastructure (Public)[5]	1.00%	6.12%	0.06%
Opportunistic	**8.00%**		
Global Tactical Asset Allocation[4]	7.00%	3.09%	0.22%
Other Opportunistic Strategies	1.00%	3.82%	0.04%
Credit	**15.00%**		
High Yield Bonds/ Bank Loans[4,5]	4.00%	3.14%	0.13%
Emerging Markets Debt	4.00%	3.31%	0.13%
Private Debt[5,6]	7.00%	5.49%	0.38%
Rate Sensitive	**14.00%**		
Core Fixed Income[4]	13.00%	1.62%	0.21%
Cash and Short Duration (Net)	1.00%	0.31%	0.00%
Total Expected Return[7]	**100.00%**		5.41%
Inflation for Actuarial Purposes			2.25%
			7.66%

Discount Rate

The discount rate used to measure the TPL was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

4 Portable Alpha Strategies will be capped at 12% of total assets; Hedge funds (including all hedge funds used in portable alpha implementation) capped at 20% of total assets.

5 The target weights to Private Equity, Private Debt, Private Infrastructure and Private Real Estate will be equal to their actual weights as of prior month end. Private Equity and Public Equity combine for 44 percent of entire portfolio. Private Debt and High Yield/Bank Loans combine for 11 percent of the entire portfolio. Private Infrastructure and Public Infrastructure combine for 3 percent of the entire portfolio. Private Real Estate and Real Estate (REITs) combine for 9 percent of entire portfolio.

6 RSIC staff and Consultant will notify the Commission if Private Markets assets exceed 25% of total assets.

7 The expected return for each of the Portable Alpha asset classes includes the expected return attributed to the Overlay Program. For benchmarking purposes there is a 10% weight assigned to Portable Alpha Hedge Funds in the Policy Benchmark.

Sensitivity Analysis

The following table presents the College's proportionate share of the NPL of the respective plans calculated using the discount rate of 7.25 percent, as well as what the College's proportionate share of the NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	**1.0% Decrease (6.25%)**	**Current Discount Rate (7.25%)**	**1.0% Increase (8.25%)**
SCRS	$222,132,068	$176,324,659	$138,095,570
PORS	4,958,935	3,659,100	2,594,189

Pension Expense

For the year ended June 30, 2020, the College recognized pension expense for the SCRS and PORS plans of $20,647,768 and $347,055, respectively.

Deferred Inflows of Resources and Deferred Outflows of Resources

At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to its pension liabilities from the following sources for each of the respective plans:

	SCRS	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 121,206	$ 1,266,685
Changes in Assumptions	3,553,197	-
Net difference between projected and actual earnings on pension plan investments	1,561,062	-
Change in proportion and difference between employer contributions and proportionate share of plan contributions	4,712,449	1,065,947
College contributions subsequent to the measurement date	13,261,704	-
Total	**$ 23,209,618**	**$ 2,332,632**

	PORS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 75,239	$ 27,043
Changes in Assumptions	145,102	-
Net difference between projected and actual earnings on pension plan investments	46,395	-
Change in proportion and difference between employer contributions and proportionate share of plan contributions	-	329,130
College contributions subsequent to the measurement date	355,111	-
Total	**$ 621,847**	**$ 356,173**
Total SCRS and PORS	**$ 23,831,465**	**$ 2,688,805**

The $13,261,704 and $355,111 reported as deferred outflows of resources related to pensions resulting from College contributions paid subsequent to the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2020 will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2020 of the systems.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension obligation will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

Future amortization:

Year ending June 30:	SCRS
2021	$ 5,505,824
2022	146,516
2023	1,333,540
2024	629,402
	$ 7,615,282

Year ending June 30:	PORS
2021	$ (36,775)
2022	(61,264)
2023	(6,319)
2024	14,921
	$ (89,437)

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2019, and the accounting valuation report as of June 30, 2019. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' CAFR.

NOTE 7 – POST EMPLOYMENT BENEFITS OTHER THAN PENSION

Plan Descriptions

The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective in May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA – Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

Benefits

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public-school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100 percent employer funding and 15-24 years of service for 50 percent employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public-school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2019 was 6.05 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was $3.22 for the fiscal year ended June 30, 2019. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2019 totaled $529,122,849. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of $190,548.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the PEBA – Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, OPEB Trust fund financial information is also included in the comprehensive annual financial report of the state.

Net OPEB Liability and Expense

The following table represents the components of the net OPEB liability as of June 30, 2019:

OPEB Trust	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Plan Fiduciary Net Position as a % of Total OPEB Liability
SCRHITF	$16,516,264,617	$1,394,740,049	$15,121,524,568	8.44%
SCLTDITF	40,743,755	38,775,500	1,968,255	95.17%

The TOL is calculated by the Trusts' actuary, and each Trust's fiduciary net position is reported in the Trust's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information. Liability calculations performed by the Trusts' actuary for the purpose of satisfying the requirements of GASB Nos. 74 and 75 and are not applicable for other purposes, such as determining the Trusts' funding requirements.

At June 30, 2020, the College reported liabilities of $177,707,098 and $14,555 for its proportionate shares of the SCRHITF and SCLTDITF net OPEB liabilities as of June 30, 2019. For the year ended June 30, 2020, the College recognized OPEB expense for SCRHITF and SCLTDITF of $10,764,175 and $60,462, respectively. The College's proportionate shares of the collective net OPEB liabilities and collective OPEB expense were determined using the employer's payroll-related contributions over the measurement period. At June 30, 2019, the College's proportionate shares of the SCRHITF and SCLTDITF liabilities and expenses were 1.18 percent and 0.74 percent, respectively.

Deferred Inflows of Resources and Outflows of Resources

As discussed in paragraph 86 of GASB Statement No. 75, differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided by OPEB through the OPEB plan (active and inactive members) determined as of the beginning of the measurement period.

Additionally, differences between projected and actual earnings on OPEB plan investments are recognized in OPEB expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the OPEB expense as a level dollar amount over the closed period identified above.

At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to its OPEB liabilities from the following sources for each of the respective trusts:

	SCRHITF	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 2,092,541	$ 5,776,438
Changes in Assumptions	11,759,027	11,004,589
Net difference between projected and actual investment	461,816	253,943
Change in proportionate share and differences between employer contributions and proportionate share of plan contributions	2,412,032	2,709,315
College contributions subsequent to the measurement date	5,890,260	-
Total	**$ 22,615,676**	**$ 19,744,285**

	SCLTDITF	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ -	$ 10,128
Changes in Assumptions	8,187	1,297
Net difference between projected and actual investment earnings	9,459	9,068
Change in proportionate share and difference between employer contributions and proportionate share of plan contributions	-	2,549
College contributions subsequent to the measurement date	45,450	-
Total	**$ 63,096**	**$ 23,042**
Total SCRHITF and SCLTDITF	**$ 22,678,772**	**$ 19,767,327**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB obligation will be recognized in OPEB expense as follows for the SCRHITF and SCLTDITF trusts, respectively:

	SCRHITF
Year ending June 30:	
2021	$ (1,196,121)
2022	(1,196,121)
2023	(1,264,499)
2024	(1,372,853)
2025	507,065
Thereafter	1,503,660
	$ (3,018,869)

	SCLTDITF
Year ending June 30:	
2021	$ 727
2022	727
2023	(887)
2024	(2,964)
2025	(697)
Thereafter	(2,302)
	$ (5,396)

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25 percent
Investment Rate of Return:	2.75 percent, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	3.13 percent as of June 30, 2019

Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Health Care Trend Rate:	Initial trend starting at 6.40 percent and gradually decreasing to an ultimate trend rate of 4.15 percent over a period of 14 years
Retiree Participation:	79 percent for retirees who are eligible for funded premiums 59 percent participation for retirees who are eligible for Partial Funded Premiums 20 percent participation for retirees who are eligible for Non-Funded Premiums
Notes:	There were no benefit changes during the current year; the discount rate changed from 3.62 percent as of June 30, 2018 to 3.13 percent as of June 30, 2019; minor updates were made to the healthcare trend rate assumption

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25 percent
Investment Rate of Return:	3.00 percent net of Plan investment expense; including inflation
Single Discount Rate:	3.04 percent as of June 30, 2019
Salary, Termination, and Retirement Rates:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Disability Incidence:	The rates used in the valuation are based on the rates developed for the South Carolina Retirement Systems pension plans
Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60 percent were assumed to recover after the first year and 92 percent were assumed to recover after the first two years

Offsets:	40 percent are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group
Expenses:	Third party administrative expenses were included in the Benefit projections.
Notes:	The discount rate changed from 3.91 percent as of June 30, 2018 to 3.04 percent as of June 30, 2019

Single Discount Rate

The Single Discount Rate of 3.13 percent was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 3.04 percent was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00 percent and a municipal bond rate of 3.13 percent. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain at $38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2039. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2039, and the municipal bond rate was applied to all benefit payments after that date.

Long-Term Expected Rate of Return

The long-term expected rate of return represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

South Carolina Retiree Health Insurance Trust Fund

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash equivalents	20.00%	0.10%	0.02%
Total	100.00%		0.50%
Expected Inflation			2.25%
Total Return			2.75%
Investment Return Assumption			2.75%

South Carolina Long-Term Disability Insurance Trust Fund

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	20.00%	0.51%	0.10%
Total	100.00%		0.86%
Expected Inflation			2.25%
Total Return			3.11%
Investment Return Assumption			3.00%

Sensitivity Analysis

The following table presents the College's proportionate share of SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.13 percent, as well as what the College's proportionate share of the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 2.13%	Current Discount Rate 3.13%	1% Increase 4.13%
SCRHITF Net OPEB Liability	$210,669,590	$177,707,098	$151,253,332

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the College's proportionate share of the net OPEB liability, calculated using the assumed trend rates as well as what the College's proportionate share of the net OPEB liability would be if were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
SCRHITF Net OPEB Liability	$145,027,976	$177,707,098	$220,264,969

The following table presents the College's proportionate share of the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 3.04 percent, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 2.04%	Current Discount Rate 3.04%	1% Increase 4.04%
SCLTDITF Net OPEB Liability	$25,036	$14,555	$4,158

The SCLTDITF's net OPEB liability is not affected by changes in the healthcare cost trend rates due to the method used to calculate benefit payments. Therefore, the sensitivity to changes in the healthcare cost trend rates have not been calculated.

Additional Financial and Actuarial Information

Detailed information regarding the fiduciary net position of the trust funds administered by PEBA, Insurance Benefits is available in the Trust Funds audited financial statements for the fiscal year ended June 30, 2019 (including the unmodified audit opinion on the financial statements and required supplementary information). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2019.

NOTE 8 – LITIGATION, CONTINGENCIES, PROJECT COMMITMENTS, AND SUBSEQUENT EVENTS

Litigation

The College is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of College management, there are no material claims or lawsuits against the College that are not covered by insurance or whose settlement would materially affect the College's financial position.

Contingencies

The College participates in certain federal grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes disallowances, if any, will not be material.

Project Commitments

The College had outstanding project commitments under contracts of approximately $13,916,000 at June 30, 2020. Of this total, approximately $11,179,000 is attributable to capital projects. The College has current resources on hand from bond issues, private gifts, and student fees to cover these commitments. The State has issued Research University Infrastructure bonds to advance economic development and create a knowledge-based economy, thereby increasing job opportunities, or to facilitate and increase externally funded research at the research universities, including land acquisition, acquisition or construction of buildings, equipment, furnishings, site preparation, road, highway improvements, and water and sewer infrastructure. The College has $168,346 of proceeds available to draw on June 30, 2020.

Subsequent Events

The College evaluated subsequent events through September 29, 2020, which is the date the financial statements were available to be issued.

The 2019 novel coronavirus (or "COVID-19") has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. It is unknown the extent to which COVID-19 may spread, may have a destabilizing effect on financial and economic activity and may increasingly have the potential to negatively impact the College's and its donor's and student's costs, demand for the College's products and services, and the U.S. economy. These conditions could adversely affect the College's financial condition, and results of operations. Further, COVID-19 may result in health or other government authorities requiring additional closure of the College's operations or other businesses of the College's donors, students, and suppliers, which could significantly disrupt the College's operations and the operations of the College's donors and students. The extent of the adverse impact of the COVID-19 outbreak on the College cannot be predicted at this time.

In March 2020, the College converted to online classes, and most students were required to leave campus due to the COVID-19 pandemic. Due to the closure of housing and dining facilities, auxiliary services revenue decreased by approximately $5,500,000 for housing, dining, and parking refunds issued to students for the Spring semester.

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). From this Act, the College was certified to receive approximately $7,600,000 million in Higher Education Emergency Relief Funds ("HEERF"). The College received Part A funds under the CARES Act of approximately $3,800,000 and expended approximately $3,770,000 of these funds through June 30, 2020 on student aid as required under the federal grant. In addition, the College was certified to receive approximately $3,800,000 in Part B funds, of which approximately $3,770,000 was recognized through June 30, 2020, to cover the foregone revenue related to housing, dining, and parking refunds to students. The College recognized approximately $7,500,000 of HEERF awards as federal nonoperating grants and contracts revenue in the Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2020.

The College began the Fall 2020 semester with virtual instruction and has transitioned to hybrid in-person instruction as of the report date. Currently, overall undergraduate enrollment was down approximately 2 percent from the Fall semester in the prior year, with a significant contributing factor being the pandemic. In addition, the College has seen a decrease in initial auxiliary services revenue for the Fall semester due to reduced residential density by 35 percent, and the three-week delay to in-person classes. These decreases have been partially offset by a 2.65 percent increase for room and board rates and a 2.24 percent increase for meal plan rates over the prior academic year. Additionally, surcharges of $80 per hour for in-state undergraduates and $120 per hour for out-of-state undergraduates will be charged to students enrolled beyond full time starting with the 17th credit hour.

The College has put into place contingency plans which include using Buist Residence Hall for student isolation purposes, offering telehealth services through a collaboration with the Medical University of South Carolina, implementing strict health and safety protocols throughout the campus, random testing and contact tracing. Other cost cutting measurements include a hiring freeze, reductions to temporary employees, and reduced discretionary spending. Management continues to monitor the impacts of the pandemic and are poised to enact additional cost reduction measures as determined necessary.

NOTE 9 – LEASE OBLIGATIONS

Future commitments for operating leases with remaining noncancelable terms more than one year as of June 30, 2020 are as follows:

Future Minimum Operating Lease Commitments

Year Ending June 30,	Equipment	External Parties	Other State Agencies	CofC Foundation	Total
2021	$ 42,743	$ 3,176,546	$ 172,336	$ 695,491	$ 4,087,116
2022	42,743	2,399,901	172,336	160,000	2,774,980
2023	42,743	2,270,271	172,336	100,000	2,585,350
2024	42,743	329,573	172,336	100,000	644,652
2025	17,809	-	172,336	100,000	290,145
2026-2030	-	-	861,680	500,000	1,361,680
2031-2035	-	-	861,680	500,000	1,361,680
2036-2040	-	-	861,680	300,000	1,161,680
2041-2045	-	-	861,680	-	861,680
2046-2050	-	-	861,680	-	861,680
2051-2055	-	-	861,680	-	861,680
2056-2060	-	-	861,680	-	861,680
2061	-	-	129,252	-	129,252
Total	**$ 188,781**	**$ 8,176,291**	**$ 7,022,692**	**$ 2,455,491**	**$ 17,843,255**

Operating Leases

The College's operating leases having remaining terms of more than one year expire in various fiscal years from 2021 through 2061. In the normal course of business, operating leases are generally renewed or replaced by other leases. Operating leases are typically payable monthly for equipment and on a quarterly basis, in advance, for property.

The College has real property operating leases for fifteen different locations with the Foundation, a component unit. In 2020, the College executed an Omnibus Lease Extension Amendment of one-year for these leases through 2021. These triple net leases cover office space, student housing, and two parking lots. Other leases with the Foundation that are not triple net include Dixie Plantation, recently renamed Stono Preserve, with a 2038 end date, and a villa in Trujillo Spain with a 2022 end date. There are no escalation clauses for Foundation leases. Under the agreements, the College paid the Foundation $695,491 in the current fiscal year.

Other operating leases for real property consist of office space, classroom space, dorm space, parking lots, dock space, a practice golf facility, a sports complex, a warehouse, and a fitness center.

In August 2004, the College entered into a nine-year lease for residential apartments and parking spaces with Warren Place, a Joint Venture. In 2011, this triple net lease was amended to extend it through 2023. The current year lease payments totaled $1,422,462.

The College leases a sports complex from Patriots Point Development Authority, a state agency, with lease terms effective April 1, 1997 through March 31, 2062. A one-time payment of $500,000 was paid in fiscal year 1998 with a corresponding charge to prepaid expenses. This payment is being amortized ratably over the 65-year lease term utilizing the straight-line method of amortization. The lease agreements make no provisions beyond the 65-year period. The unamortized balance at June 30, 2020 is $321,154. Amortization of the prepaid rent balance for fiscal year 2020 was $7,692 and is reported in operating expenses. The College is responsible for all maintenance and improvements as well as insurance, assessments and other fees that may be levied or invoked on the property. Rent is adjusted annually based on the Consumer Price Index for the Southeast Region. The College paid the Patriots Point Development Authority $172,336 in rent in fiscal year 2020. The College also subleases dock space at Charleston Harbor Marina located near the sports complex at Patriots Point, and the current year lease payment was $58,500. The College entered into a new lease for the dock space on July 1, 2018 which ends June 30, 2023.

The College leases a golf practice facility from The Links at Stono Ferry. The College entered into a new six-year lease with this facility with lease terms from August 11, 2017 through August 10, 2023 with the option to renew for up to four consecutive periods of one year each. Rent for this facility is $150,000 per year.

The College's North Campus and Lowcountry Graduate Center were housed in a 50,000 square foot building owned by 3800 Paramount, LLC at 3800 Paramount Drive in North Charleston. The initial term of this lease is July 1, 2014 to June 30, 2021. The College terminated the lease early on June 30, 2020. Rent for fiscal year 2020 was $962,197.

The College also leases warehouse space, and the current term ends December 14, 2022 with one renewal option of five years. The total rental payment for fiscal year 2020 was $234,885. The College entered into a ten-year lease for a fitness center beginning October 7, 2013 with two renewal options of ten years each. Rent for fiscal year 2020 was $529,622. The College entered into a seven-year lease for 41,000 square feet of office and classroom space at Harbor Walk beginning January 1, 2014 and ending December 31, 2020 with one five-year renewal option. In 2015, the College leased an additional 3,104 square feet. In July 2017, the College leased an additional 2,575 square feet. Rent for fiscal year 2020 was $1,588,322.

The College entered into a new one-year lease with Clemson University for 292 Meeting Street with lease terms from January 1, 2020 through December 31, 2020 with the option to renew for up to two consecutive periods of one year each. Rent for this facility is $84,000 per year.

Finally, the total operating lease expenditures for fiscal year 2020 were $5,904,389. The College reports all these operating lease costs in operating expenses.

NOTE 10 – BONDS AND NOTES PAYABLE

Bonds consisted of the following at June 30, 2020:

	Original Balance	Fixed Interest Rates	Maturity Dates	Outstanding Balance	Debt Retired FY 2020
Revenue Bonds					
Higher Education Facilities Revenue Bonds					
Bond, Series 2012A	25,630,000	2.00-4.00%	2032	$ 16,985,000	$ 1,165,000
Bond, Series 2013A	12,510,000	3.00-4.00%	2033	6,840,000	425,000
Bond, Series 2017A	42,705,000	3.00-5.00%	2037	38,495,000	1,470,000
Academic/Administrative Facilities Revenue Bonds					
Bond, Series 2011A	33,745,000	2.00-5.00%	2037	26,590,000	1,095,000
Bond, Series 2013B	24,835,000	2.00-5.00%	2034	20,570,000	1,115,000
Bond, Series 2014A	54,255,000	3.00-5.00%	2044	49,810,000	1,195,000
Bond, Series 2017B	31,345,000	3.00-5.00%	2037	28,255,000	1,080,000
Total Revenue Bonds				187,545,000	7,545,000
Unamortized Bond Premiums/(Discounts)				7,811,658	
Notes Payable				184,536	
Total Bonds and Notes Payable				**$ 195,541,194**	**$ 7,545,000**

Bonds issued by the College include certain restrictive covenants. Auxiliary Revenue Bonds are payable solely from and secured by a pledge of revenues of the College's residence halls, food service, and parking, and from additional funds from the capital improvement fee imposed by the Board of Trustees.

Bond premiums/(discounts) and deferred losses on refunding are capitalized and amortized over the life of the bonds. The amount amortized for bond premiums/discounts was $463,768 and the amount amortized for deferred losses on refunding was $42,175.

Total interest and amortization expense incurred for fiscal year 2020 was $7,146,690.

Amounts including interest required to complete payment of the Revenue Bonds as of June 30, 2020 are as follows:

Revenue Bonds **Year Ending June 30,**	Principal	Interest	Total
2021	$ 7,840,000	$ 7,333,615	$ 15,173,615
2022	8,170,000	7,014,115	15,184,115
2023	8,505,000	6,662,215	15,167,215
2024	8,870,000	6,304,878	15,174,878
2025	9,275,000	5,896,978	15,171,978
2026-2030	52,390,000	23,382,869	75,772,869
2031-2035	54,045,000	13,314,412	67,359,412
2036-2040	26,725,000	4,743,662	31,468,662
2041-2044	11,725,000	1,195,400	12,920,400
Total Revenue Bonds	**$ 187,545,000**	**$ 75,848,144**	**$ 263,393,144**

Amounts including interest required to complete payment of the Notes Payable as of June 30, 2020 are as follows:

Notes Payable Year Ending June 30,	Principal	Interest	Total
2021	$ 184,536	$ 3,361	$ 187,897
Total Notes Payable	**$ 184,536**	**$ 3,361**	**$ 187,897**

In prior years, the College defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for these defeased bonds are not included in the College's financial statements. At June 30, 2020, $185,268 of bonds outstanding were considered defeased. Management believes the College was in compliance with all applicable bond covenants as of June 30, 2020.

Students pose in front of a balloon display on George Street commemorating the 250th anniversary of the College of Charleston, January 30, 2020.

NOTE 11 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2020 was as follows:

	6/30/2019	Additions	Reductions	6/30/2020	Due Within One Year
Bonds Payable					
Revenue Bonds	$ 195,090,000	$ -	$ 7,545,000	$ 187,545,000	$ 7,840,000
Unamortized Premiums/ (Discounts)	8,275,426	-	463,768	7,811,658	463,768
Total Revenue Bonds	$ 203,365,426	$ -	$ 8,008,768	$ 195,356,658	$ 8,303,768
Notes Payable					
Notes Payable	$ 365,771	$ -	$ 181,235	$ 184,536	$ 184,536
Total Bonds and Note Payable	$ 203,731,197	$ -	$ 8,190,003	$ 195,541,194	$ 8,488,304
Other Liabilities					
Net Pension Liability	$ 171,691,285	$ 20,994,823	$ 12,702,349	$ 179,983,759	$ -
Net OPEB Liability	163,912,899	21,293,504	7,484,750	177,721,653	-
Federal Capital Contribution	1,634,438	-	219,964	1,414,474	-
Accrued Compensated Absences	4,844,034	3,669,316	3,020,148	5,493,202	2,497,961
Total Other Liabilities	$ 342,082,656	$ 45,957,643	$ 23,427,211	$ 364,613,088	$ 2,497,961
Total Long-Term Liabilities	**$ 545,813,853**	**$ 45,957,643**	**$ 31,617,214**	**$ 560,154,282**	**$ 10,986,265**

NOTE 12 – DONOR RESTRICTED ENDOWMENTS

The College is the recipient of two restricted endowments. One is an endowed professorship from the Commission of Higher Education in the amount of $100,000 with a stipulation that only earnings can be used to fund endowed chairs at the College. For the year ended June 30, 2020, interest income of $3,517 was available to be spent, which is restricted for specific purposes.

The other endowment funded through the South Carolina Research Centers of Economic Excellence Act of 2002 in the amount of $1,000,000 was received during fiscal year 2005 through a Memorandum of Understanding between the College and the Medical University of South Carolina (MUSC). As of June 30, 2020, cumulative net appreciation on these funds was $357,334, and the total endowed balance of $1,357,334 is included in noncurrent component unit receivable, restricted on the Statement of Net Position.

The College has joined with MUSC to raise nonstate matching funds of $2,000,000 for collaborative research, the Research Center in Applied Marine Genomics. Through an agreement between the College and the Foundation, and permissible under South Carolina Code of Laws Section 59-101-410(b), the College loaned the funds to the Foundation for the specific purpose of maximizing the College's investment yield. The collaborative research project is intended to be a permanent program; however, in the event the program is discontinued, the Foundation must return the funds, plus any earnings less any authorized program spending and customary administrative fees.

NOTE 13 – COMPONENT UNITS

Certain separately chartered legal entities whose activities are related to those of the College exist primarily to provide financial assistance and other support to the College and its educational programs. They include the Foundation and the Cougar Club. Independent auditors retained by the organizations audit the financial statements of these entities.

The financial report of the Foundation may be obtained by writing to the Financial Services Office of the Foundation, 66 George Street Charleston, South Carolina, 29424. The financial report of the Cougar Club may be obtained by writing to the Financial Director, Cougar Club, 66 George Street, Charleston, South Carolina, 29424.

Effective fiscal year June 30, 2004, and because of the GASB Statement No. 39 implementation guidelines, the College began recognizing the Foundation and the Cougar Club as component units and displaying a discrete presentation format of their financial statements. Both entities report under guidelines established by the FASB.

College of Charleston Foundation

The Foundation is a nonprofit organization that promotes programs of education, research, student development, and faculty development for the exclusive benefit of the College. Major sources of income consist primarily of donor contributions and investment income.

Investments in equity securities with readily determinable fair values and all debt securities are recorded at fair value based upon quoted market prices. Investments in limited partnerships are stated at fair values based upon financial information provided by external investment managers. Because limited partnership interests are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ significantly from the value that would have been used had a ready market for the investments existed. Investments donated to the Foundation are initially recorded at fair value on the date of the gift. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the Consolidated Statements of Activities and Changes in Net Assets.

Investment income is recorded net of investment expenses. Realized gains or losses on investments are determined by comparison of the specific cost of acquisition to proceeds at the time of disposal. Unrealized gains or losses are calculated by comparing the cost to fair values at the Consolidated Statements of Financial Position dates.

The Foundation maintains master investment accounts for its donor-restricted and board designated endowments. Investment income and expenses, including unrealized gains and losses from securities in the master investment accounts, are allocated monthly to the individual endowments based on the relationship of the fair value of each endowment to the fair value of the master investment accounts, adjusted for additions to or deductions from those accounts.

The Foundation's endowment consists of approximately 600 individual funds established for a variety of purposes including funds established by donors to provide annual funding for specific activities and general operations, and certain net assets without donor restrictions that have been designated for endowment by the Board of Directors. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions and the Foundation's interpretation of relevant law.

The Foundation places its cash and cash equivalents on deposit with commercial banks. The FDIC covers $250,000 for each interest-bearing account. At times, the Foundation may maintain bank account balances more than the FDIC insured limit. The Foundation has not experienced losses in such deposit accounts and believes it is not exposed to any significant credit risk in this regard.

The Foundation is also subject to concentration of credit risk related to its unconditional promises to give. Contributions and unconditional promises to give consist of gift amounts from individuals and businesses, many of which are in the State of South Carolina. At June 30, 2020, promises to give from one donor accounted for approximately 19 percent of the total unconditional promises to give balance.

Investments – Nongovernmental Discretely Presented Component Units

The Foundation investments as of June 30, 2020, were as follows:

Investments Carried at Fair Value	**Cost**	**Fair value**
Cash and cash equivalents	$ 27,978,486	$ 27,978,486
Equity securities	225,838	272,580
Fixed income and multi-asset funds	6,167,115	6,156,587
Multi-strategy limited partnership	68,265,040	85,654,958
Total	**$ 102,636,479**	**$ 120,062,611**

The following schedule details transactions between the College and the Foundation during the year ended June 30, 2020.

Transactions between the College and the Foundation for Fiscal Year 2020	
The College paid the Foundation for the rental of certain real property. The amount is reported as part of operating expenses. In addition, see Note 9 regarding lease transactions with the Foundation.	$ 695,491
The Foundation reimbursed the College for scholarships awarded. The amount is reported as a part of gifts under nonoperating revenue.	$ 3,467,741
The Foundation reimbursed the College for certain expenditures that were paid for by the College.	$ 3,495,214

College of Charleston Athletic Fund d/b/a - Cougar Club

The Cougar Club is a nonprofit organization that provides support to the College's athletic department through scholarships and revenue generated by fundraising and membership activities. The College received $1,148,401 in scholarships and other support from the Cougar Club for the year ended June 30, 2020.

The College has receivables totaling $4,177,302 with the component units. The details of the component unit receivables follow.

Component Units Receivable as of June 30, 2020		
The Foundation		
Capital projects and operating expenses receivable	$	2,748,101
Marine Genomics endowment receivable		1,357,334
Total Foundation receivable	$	4,105,435
The Cougar Club		
Operating expenses receivable	$	71,867
Total Cougar Club receivable	$	71,867
Total Component Units Receivable	**$**	**4,177,302**

On July 1, 2019, the Cougar Club adopted Financial Accounting Standards Board Accounting Standards Update (ASU) 2014-19, *Revenue from Contracts with Customers* (Topic 606) using the retrospective modified approach. This ASU requires entities to recognize revenue when control of the promised goods or services is transferred to customers at an amount that reflects the consideration to which the Cougar Club expects to be entitled to in exchange for those goods or services. The adoption resulted in a decrease to beginning net assets of approximately $823,000 as of July 1, 2019 related to sales of advance memberships, which are recognized over time as members purchase tickets in the upcoming year.

NOTE 14 – RISK MANAGEMENT

The College is exposed to various risks of loss and maintains state or commercial insurance coverage for these risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The costs of settled claims have not exceeded this coverage in any of the past three years. The College pays insurance premiums to certain other state agencies and commercial insurers to cover risks that may occur during normal operations. The insurers promise to pay to, or on behalf of, the insured for covered economic losses sustained during the policy period, in accordance with the insurance policy and benefit program limits.

The State of South Carolina believes it is more economical to manage certain risks internally and set aside assets for claim settlement. Several state funds accumulate assets and the State itself assumes substantially all risks for the following:

Managed Risks Assumed by the State

1. Claims of State employees for unemployment compensation benefits (SC Department of Employment and Workforce);
2. Claims of covered employees for workers compensation benefits for job related illnesses or injuries (State Accident Fund);
3. Claims of covered public employees for health and dental insurance benefits. (Employee Insurance Program); and
4. Claims of covered public employees for long term disability and group life insurance benefits. (Employee Insurance Program).

Employees elect health coverage with the State's self-insured plan administered through the PEBA. All the other types of coverage listed above are through the applicable State's self-insured plan or PEBA.

The College and other entities pay premiums to the State's Insurance Reserve Fund (IRF), which issues policies, accumulates assets to cover the risks of loss, and pays claims incurred for covered losses related to the following College assets, activities, and/or events:

Risks of Loss Covered by Insurance

1. Theft of, damage to, or destruction of assets,
2. Natural disasters,
3. Real property, its contents, and other equipment,
4. Motor vehicles,
5. Watercraft, artwork, and equipment (inland marine),
6. Torts,
7. Business interruptions,
8. Data processing; and
9. Medical malpractice claims against covered employees.

The IRF is a self-insurer and purchases reinsurance to obtain certain services and specialized coverage and to limit losses in certain areas. The IRF rates are determined actuarially. The College obtains coverage through commercial insurers for fidelity bond insurance to cover employees for losses arising from theft or misappropriation, for cyber liability, Directors and Officers Liability, and various other limited coverages.

Emergency Preparedness and Management Plan

To ensure that the College is prepared to respond to emergency and crisis situations, the President has formed a standing Emergency Management Team (EMT), and this team has developed an Emergency Preparedness and Management Plan (Plan) for the College. The Plan outlines an emergency response and recovery policy which provides a consistent, coordinated approach for assessing and responding to crises and emergency situations. The Plan also defines and describes actions to be taken by the College community to mitigate, prepare for, respond to, and recover from various human-induced and/or natural emergencies that may affect lives, property, and the institution.

NOTE 15 – OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2020 are summarized as follows:

	Personnel Costs and Benefits	Supplies and Services	Utilities	Scholarships and Fellowships	Depreciation	Total
Instruction	$ 88,476,856	$ 3,564,464	$ -	$ -	$ -	$ 92,041,320
Research	2,717,007	2,631,955	-	-	-	5,348,962
Public Service	1,086,309	445,216	-	-	-	1,531,525
Academic Support	13,212,623	4,290,928	-	-	-	17,503,551
Student Services	13,225,115	3,233,739	-	-	-	16,458,854
Institutional Support	24,610,514	9,198,222	-	-	-	33,808,736
Operation and Maintenance of Plant	10,570,686	19,340,452	4,090,009	-	-	34,001,147
Scholarships and Fellowships (net of discounts and allowances)	-	102,411	-	15,008,530	-	15,110,941
Auxiliary Enterprises	13,138,282	23,287,176	3,178,820	5,357,918	-	44,962,196
Depreciation	-	-	-	-	17,621,710	17,621,710
Total Operating Expenses	**$ 167,037,392**	**$ 66,094,563**	**$ 7,268,829**	**$ 20,366,448**	**$ 17,621,710**	**$ 278,388,942**

NOTE 16 – STATE APPROPRIATIONS AND TRANSACTIONS WITH STATE ENTITIES

The College is granted an annual appropriation for operating purposes as authorized by the General Assembly of the State of South Carolina. State appropriations are recognized as revenue when received and available. The original appropriation is the College's base budget amount presented in the General Funds column of Section 15 of the 2019-2020 Appropriation Act. The following schedule is a reconciliation of the original appropriation as enacted by the General Assembly to State appropriations revenue reported in the financial statements for the fiscal year ended June 30, 2020.

State Appropriations	
Noncapital Appropriations	
Original appropriations per annual Appropriations Act	$ 29,023,449
Employee Pay Plan Funds	1,149,752
Academic Endowment Incentive	6,220
Lowcountry Graduate Center	785,099
Total State noncapital appropriations recorded as current year revenue	**$ 30,964,520**
Capital Appropriations	
From South Carolina Education Lottery Fund	$ 774,183
Total State capital appropriations recorded as current year revenue	**$ 774,183**

The College received substantial funding from the Commission on Higher Education (CHE) for scholarships on behalf of students that are accounted for as operating state grants and contracts. Additional amounts received from the CHE are accounted for as both operating and nonoperating revenues, depending upon the requirement of deliverables with a current or potential future economic value. The College also receives state funds from various other public service projects. Following is a summary of amounts received from state agencies for scholarships, sponsored research, and public service projects for the fiscal year ended June 30, 2020.

Other Amounts Received from State Agencies

	Operating Revenue
Received from CHE:	
Hope Scholarships	$ 485,653
LIFE Scholarships	12,099,589
Palmetto Scholarships	4,459,824
Need Based Grants	1,586,209
SC National Guard Program	33,750
Various other CHE amounts	33,230
Received from Department of Education	72,098
Received from Winthrop University	500,298
Received from Various State Agencies	2,370,209
Total	**$ 21,640,860**

Services received at no cost from State agencies include maintenance of certain accounting records by the Comptroller General; banking, bond trustee and investment services from the State Treasurer; legal services from the Attorney General; and grant services from the Office of the Governor. Other services received at no cost from the various offices of the State Department of Administration include pension plan administration, insurance plans administration, audit services, personnel management, assistance in the preparation of the State budget, review and approval of certain budget amendments, procurement services, and other centralized functions.

Geology professors Scott Persons (rear, in hat) and Robert Boessenecker (right), along with Sarah Boessenecker (middle), overlook the newly installed whale fossil (Dorudon atrox) in the Addlestone Library rotunda.

NOTE 17 – SUMMARY FINANCIAL INFORMATION

Summarized financial activity for the year ended June 30, 2020 was as follows:

	2020	2019	Increase/ (Decrease)
Charges for services	$ 225,664,261	$ 234,572,312	$ (8,908,051)
Nonoperating grants and contributions	26,957,159	19,280,668	7,676,491
Less: Program expenses	(285,535,632)	(281,097,259)	(4,438,373)
Net program expenses	$ (32,914,212)	$ (27,244,279)	$ (5,669,933)
Transfers:			
State appropriations	$ 30,964,520	$ 27,155,563	$ 3,808,957
State capital appropriations	774,183	607,631	166,552
Total transfers	$ 31,738,703	$ 27,763,194	$ 3,975,509
Change in net position	$ (1,175,509)	$ 518,915	$ (1,694,424)
Net position – Beginning	21,233,754	20,714,839	518,915
Net position – Ending	**$ 20,058,245**	**$ 21,233,754**	**$ (1,175,509)**

College of Charleston science lecture hall inside Randolph Hall, 1900.

COLLEGE OF CHARLESTON
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Adjunct professor Ashley Brown leads a group of her kayaking students in a U.S. Coast Guard lifesaving exercise, Charleston harbor.

College of Charleston alum Fisher Wilson '19 (far right) and Ian Gleason (left) of the Pluff Mud String Band perform for students as part of an Honors College course, Introduction to Southern Studies, 9 Green Way.

REQUIRED SUPPLEMENTARY INFORMATION

COLLEGE OF CHARLESTON
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEARS ENDED JUNE 30,

	SCRS						
	2020	2019	2018	2017	2016	2015	2014
College's proportion of the net pension liability	0.77%	0.75%	0.74%	0.76%	0.77%	0.75%	0.75%
College's proportionate share of the net pension liability	$ 176,324,659	$ 168,069,526	$ 166,290,549	$ 162,045,025	$ 145,433,196	$ 129,272,338	$ 134,676,602
College's covered payroll for the measurement period	$ 100,915,553	$ 97,948,936	$ 97,777,837	$ 96,875,236	$ 95,239,404	$ 90,548,229	$ 85,152,558
College's proportionate share of the net pension liability as a percentage of its covered payroll	174.72%	171.59%	170.07%	167.27%	152.70%	142.77%	158.16%
Plan fiduciary net position as a percentage of the total pension liability	54.40%	54.10%	53.34%	52.91%	56.99%	59.92%	56.39%

	PORS						
	2020	2019	2018	2017	2016	2015	2014
College's proportion of the net pension liability	0.13%	0.13%	0.14%	0.16%	0.18%	0.16%	0.16%
College's proportionate share of the net pension liability	$ 3,659,100	$ 3,621,759	$ 3,771,471	$ 3,959,082	$ 3,848,162	$ 3,157,810	$ 3,419,327
College's covered payroll for the measurement period	$ 1,853,985	$ 1,752,590	$ 1,897,447	$ 1,989,891	$ 2,188,201	$ 2,028,611	$ 1,854,929
College's proportionate share of the net pension liability as a percentage of its covered payroll	197.36%	206.65%	198.77%	198.96%	175.86%	155.66%	184.34%
Plan fiduciary net position as a percentage of the total pension liability	62.69%	61.73%	60.94%	60.44%	64.57%	67.55%	62.98%

**This schedule is inteded to present information for 10 years. Years for which information is available will be presented here until a full 10-year trend is compiled.*

COLLEGE OF CHARLESTON
SCHEDULE OF THE COLLEGE'S PENSION CONTRIBUTIONS
FOR THE TEN YEARS ENDED JUNE 30,

	SCRS									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	$ 13,261,706	$ 11,874,257	$ 10,534,806	$ 8,611,733	$ 8,125,432	$ 7,837,056	$ 7,219,711	$ 6,795,402	$ 5,630,469	$ 5,374,140
Contributions in relation to the contractually required contribution	13,261,706	11,874,257	10,534,806	8,611,733	8,125,432	7,837,056	7,219,711	6,795,402	5,630,469	5,374,140
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's covered payroll	$ 103,772,179	$ 100,915,553	$ 97,948,936	$ 97,777,837	$ 96,875,236	$ 95,239,404	$ 90,548,229	$ 85,152,558	$ 80,482,969	$ 77,640,465
Contributions as a percentage of covered payroll	12.78%	11.77%	10.76%	8.81%	8.39%	8.23%	7.97%	7.98%	7.00%	6.92%

	PORS									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	$ 355,111	$ 319,627	$ 284,620	$ 270,197	$ 273,412	$ 293,437	$ 260,473	$ 228,157	$ 206,098	$ 220,050
Contributions in relation to the contractually required contribution	355,111	319,627	284,620	270,197	273,412	293,437	260,473	228,157	206,098	220,050
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's covered payroll	$ 1,505,416	$ 1,853,985	$ 1,752,590	$ 1,897,447	$ 1,989,891	$ 2,188,201	$ 2,028,611	$ 1,854,929	$ 1,752,089	$ 1,908,500
Contributions as a percentage of covered payroll	23.59%	17.24%	16.24%	14.24%	13.74%	13.41%	12.84%	12.30%	11.76%	11.53%

COLLEGE OF CHARLESTON
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
FOR THE YEARS ENDED JUNE 30,

	SCRHITF			
	2020	2019	2018	2017
College's proportion of the net OPEB liability	1.18%	1.16%	1.18%	1.18%
College's proportionate share of the net OPEB liability	$ 177,707,098	$ 163,890,467	$ 160,088,993	$ 171,007,498
College's covered-employee payroll for the measurement period	$ 84,770,980	$ 82,358,598	$ 82,351,801	$ 82,059,970
College's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll**	209.63%	199.00%	194.40%	208.39%
Plan fiduciary net position as a percentage of the total OPEB liability	8.44%	7.91%	7.60%	7.07%

	SCLTDITF			
	2020	2019	2018	2017
College's proportion of the net OPEB liability	0.74%	0.73%	0.75%	0.75%
College's proportionate share of the net OPEB liability	$ 14,555	$ 22,432	$ 13,537	$ 5,183
Plan fiduciary net position as a percentage of the total OPEB liability	95.17%	92.20%	95.29%	98.15%

**This schedule is intended to present information for 10 years. Years for which information is available will be presented here until a full 10-year trend is compiled.*
***Covered-employee payroll is the payroll of employees that are provided with OPEB through the OPEB plan. Contributions to the OPEB plan are not based on a measure of pay.*

COLLEGE OF CHARLESTON
SCHEDULE OF THE COLLEGE'S OPEB CONTRIBUTIONS
FOR THE TEN YEARS ENDED JUNE 30,

SCRHITF

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	$ 5,890,261	$ 6,199,406	$ 5,356,324	$ 4,864,791	$ 5,269,511	$ 4,871,380	$ 4,554,881	$ 3,958,176	$ 3,535,901	$ 3,102,193
Contributions in relation to the contractually required contribution	5,890,261	6,199,406	5,356,324	4,864,791	5,269,511	4,871,380	4,554,881	3,958,176	3,535,901	3,102,193
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's covered-employee payroll**	$ 89,798,037	$ 84,770,980	$ 82,358,598	$ 82,351,801	$ 82,059,970	$ 77,834,601	$ 74,936,503	$ 70,003,191	$ 68,865,781	$ 65,491,657
Contributions as a percentage of covered-employee payroll**	6.56%	7.31%	6.50%	5.91%	6.42%	6.26%	6.08%	5.65%	5.13%	4.74%

SCLTDITF

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	$ 45,450	$ 54,647	$ 53,404	$ 54,048	$ 52,985	$ 50,976	$ 50,789	$ 49,272	$ 49,047	$ 48,590
Contributions in relation to the contractually required contribution	45,450	54,647	53,404	54,048	52,985	50,976	50,789	49,272	49,047	48,590
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

***Covered-employee payroll is the payroll of employees that are provided with OPEB through the OPEB plan. Contributions to the OPEB plan are not based on a measure of pay.*

COLLEGE OF CHARLESTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Blue skies over Randolph Hall.

Towell Library at dusk.

STATISTICAL SECTION

STATISTICAL SECTION

This section of the College of Charleston's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information conveys about the College's overall financial health.

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Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant fiscal years.

SCHEDULE OF OPERATING AND NONOPERATING REVENUES BY SOURCE

For the Fiscal Year Ended June 30,

(amounts expressed in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Revenues:										
Tuition and related fees										
(net of scholarship allowance)	$ 152,606	$ 150,548	$ 145,609	$ 146,297	$ 143,541	$ 141,682	$ 139,892	$ 133,936	$ 128,093	$ 118,768
Federal grants and contracts	4,760	6,350	6,304	7,929	9,075	8,390	8,151	9,278	8,939	8,244
State grants and contracts	21,641	22,536	21,391	20,665	20,115	19,681	18,810	18,671	18,140	17,981
Local grants and contracts	197	239	208	183	221	327	241	176	176	184
Nongovernmental grants and contracts	735	686	599	681	1,126	1,292	1,334	541	165	192
Sales and services of educational										
and other activities	2,019	2,159	2,047	2,038	2,052	2,052	1,940	1,949	1,950	1,845
Sales and services of auxiliary enterprises										
(net of scholarship allowance)	42,846	51,249	50,068	52,123	48,189	47,276	45,072	43,532	43,517	40,593
Other sources	860	805	1,056	689	487	549	860	474	1,116	211
Total Operating Revenues	$ 225,664	$ 234,572	$ 227,282	$ 230,605	$ 224,806	$ 221,249	$ 216,300	$ 208,557	$ 202,096	$ 188,018
Nonoperating Revenues:										
State appropriations	$ 30,965	$ 27,156	$ 25,664	$ 26,209	$ 22,597	$ 21,843	$ 20,881	$ 19,810	$ 18,872	$ 19,794
Federal grants and contracts	17,879	11,765	11,760	10,902	10,691	10,583	10,560	10,298	10,216	14,792
Gifts	4,874	4,014	4,094	4,054	3,957	3,772	3,498	3,230	3,008	2,515
Interest and investment income	3,364	3,030	614	724	992	1,130	678	417	1,169	855
Other nonoperating revenue	875	579	181	218	195	231	165	391	525	539
Total Nonoperating Revenues	$ 57,957	$ 46,544	$ 42,313	$ 42,107	$ 38,432	$ 37,559	$ 35,782	$ 34,146	$ 33,790	$ 38,495
Total Operating and Nonoperating Revenues	**$ 283,621**	**$ 281,116**	**$ 269,595**	**$ 272,712**	**$ 263,238**	**$ 258,808**	**$ 252,082**	**$ 242,703**	**$ 235,886**	**$ 226,513**

(percent of total revenues)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Revenues:										
Tuition and related fees										
(net of scholarship allowance)	53.81%	53.55%	54.01%	53.65%	54.53%	54.74%	55.49%	55.19%	54.30%	52.43%
Federal grants and contracts	1.68%	2.26%	2.34%	2.91%	3.45%	3.24%	3.23%	3.82%	3.79%	3.64%
State grants and contracts	7.63%	8.02%	7.93%	7.58%	7.64%	7.60%	7.46%	7.69%	7.69%	7.94%
Local grants and contracts	0.07%	0.09%	0.08%	0.07%	0.08%	0.13%	0.10%	0.07%	0.07%	0.08%
Nongovernmental grants and contracts	0.26%	0.24%	0.22%	0.25%	0.43%	0.50%	0.53%	0.22%	0.07%	0.08%
Sales and services of educational										
and other activities	0.71%	0.77%	0.76%	0.75%	0.78%	0.79%	0.77%	0.80%	0.83%	0.81%
Sales and services of auxiliary enterprises										
(net of scholarship allowance)	15.11%	18.23%	18.57%	19.11%	18.31%	18.27%	17.88%	17.94%	18.45%	17.93%
Other sources	0.29%	0.29%	0.39%	0.23%	0.19%	0.21%	0.34%	0.20%	0.47%	0.09%
Total Operating Revenues	79.56%	83.45%	84.30%	84.55%	85.41%	85.48%	85.80%	85.93%	85.67%	83.00%
Nonoperating Revenues:										
State appropriations	10.92%	9.66%	9.52%	9.61%	8.58%	8.44%	8.28%	8.16%	8.00%	8.74%
Federal grants and contracts	6.30%	4.19%	4.36%	4.00%	4.06%	4.09%	4.19%	4.24%	4.33%	6.53%
Gifts	1.72%	1.43%	1.52%	1.49%	1.50%	1.46%	1.39%	1.33%	1.28%	1.11%
Interest and investment income	1.19%	1.08%	0.23%	0.27%	0.38%	0.44%	0.27%	0.17%	0.50%	0.38%
Other nonoperating revenue	0.31%	0.19%	0.07%	0.08%	0.07%	0.09%	0.07%	0.17%	0.22%	0.24%
Total Nonoperating Revenues	20.44%	16.55%	15.70%	15.45%	14.59%	14.52%	14.20%	14.07%	14.33%	17.00%
Total Operating and Nonoperating Revenues	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Source: College of Charleston Comprehensive Annual Financial Reports.

SCHEDULE OF OPERATING AND NONOPERATING EXPENSES BY FUNCTION

For the Fiscal Year Ended June 30,

(amounts expressed in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Expenses:										
Instruction	$ 92,041	$ 89,467	$ 87,933	$ 85,556	$ 82,831	$ 79,060	$ 74,723	$ 70,055	$ 67,426	$ 64,386
Research	5,349	6,795	6,325	7,938	8,744	8,503	7,860	8,515	7,959	7,227
Public service	1,531	1,617	1,745	1,632	1,852	1,684	1,661	1,400	1,382	1,122
Academic support	17,504	16,978	15,684	15,190	15,575	15,093	14,972	13,591	13,267	13,046
Student services	16,459	15,603	15,230	13,845	13,543	13,546	12,911	12,116	11,385	10,723
Institutional support	33,809	31,654	31,793	31,334	29,306	30,423	28,768	28,492	23,917	23,097
Operation and maintenance of plant	34,001	34,652	29,649	26,792	28,440	31,236	32,897	25,919	22,514	22,346
Scholarships and fellowships (net of discounts and allowances)	15,111	10,567	10,858	10,746	11,016	10,086	10,233	10,799	11,935	11,713
Auxiliary enterprises	44,962	48,929	46,396	44,286	41,965	42,068	42,169	41,018	37,455	35,176
Depreciation	17,622	17,328	15,778	15,658	14,924	14,611	13,555	12,858	14,725	14,757
Total Operating Expenses	$ 278,389	$ 273,590	$ 261,391	$ 252,977	$ 248,196	$ 246,310	$ 239,749	$ 224,763	$ 211,965	$ 203,593
Nonoperating Expenses:										
Interest and amortization expense on capital assets and related debt	$ 7,147	$ 7,507	$ 5,883	$ 10,423	$ 7,663	$ 8,150	$ 7,532	$ 9,367	$ 8,690	$ 8,503
Loss on sale or disposal of capital assets	34	108	135	-	4	115	162	43	73	-
Total Nonoperating Expenses	$ 7,181	$ 7,615	$ 6,018	$ 10,423	$ 7,667	$ 8,265	$ 7,694	$ 9,410	$ 8,763	$ 8,503
Total Operating and Nonoperating Expenses	**$ 285,570**	**$ 281,205**	**$ 267,409**	**$ 263,400**	**$ 255,863**	**$ 254,575**	**$ 247,443**	**$ 234,173**	**$ 220,728**	**$ 212,096**

(percent of total expenses)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Expenses:										
Instruction	32.23%	31.82%	32.88%	32.48%	32.37%	31.06%	30.20%	29.92%	30.54%	30.36%
Research	1.87%	2.42%	2.37%	3.01%	3.42%	3.34%	3.18%	3.64%	3.61%	3.41%
Public service	0.54%	0.58%	0.65%	0.62%	0.72%	0.66%	0.67%	0.60%	0.63%	0.53%
Academic support	6.13%	6.04%	5.87%	5.77%	6.09%	5.93%	6.05%	5.80%	6.01%	6.15%
Student services	5.76%	5.55%	5.70%	5.26%	5.29%	5.32%	5.22%	5.17%	5.16%	5.06%
Institutional support	11.84%	11.26%	11.89%	11.90%	11.45%	11.95%	11.63%	12.17%	10.84%	10.89%
Operation and maintenance of plant	11.91%	12.32%	11.09%	10.17%	11.12%	12.27%	13.29%	11.07%	10.20%	10.54%
Scholarships and fellowships (net of discounts and allowances)	5.29%	3.76%	4.06%	4.08%	4.31%	3.96%	4.14%	4.61%	5.41%	5.52%
Auxiliary enterprises	15.74%	17.40%	17.35%	16.81%	16.40%	16.52%	17.04%	17.51%	16.96%	16.58%
Depreciation	6.17%	6.16%	5.90%	5.94%	5.83%	5.74%	5.47%	5.49%	6.67%	6.95%
Total Operating Expenses	97.48%	97.31%	97.76%	96.04%	97.00%	96.75%	96.89%	95.98%	96.03%	95.99%
Nonoperating Expenses:										
Interest and amortization expense on capital assets and related debt	2.51%	2.66%	2.20%	3.96%	3.00%	3.20%	3.04%	4.00%	3.94%	4.01%
Loss on sale or disposal of capital assets	0.01%	0.03%	0.04%	0.00%	0.00%	0.05%	0.07%	0.02%	0.03%	0.00%
Total Nonoperating Expenses	2.52%	2.69%	2.24%	3.96%	3.00%	3.25%	3.11%	4.02%	3.97%	4.01%
Total Operating and Nonoperating Expenses	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Source: College of Charleston Comprehensive Annual Financial Reports.

SCHEDULE OF OPERATING AND NONOPERATING EXPENSES BY USE

For the Fiscal Year Ended June 30,

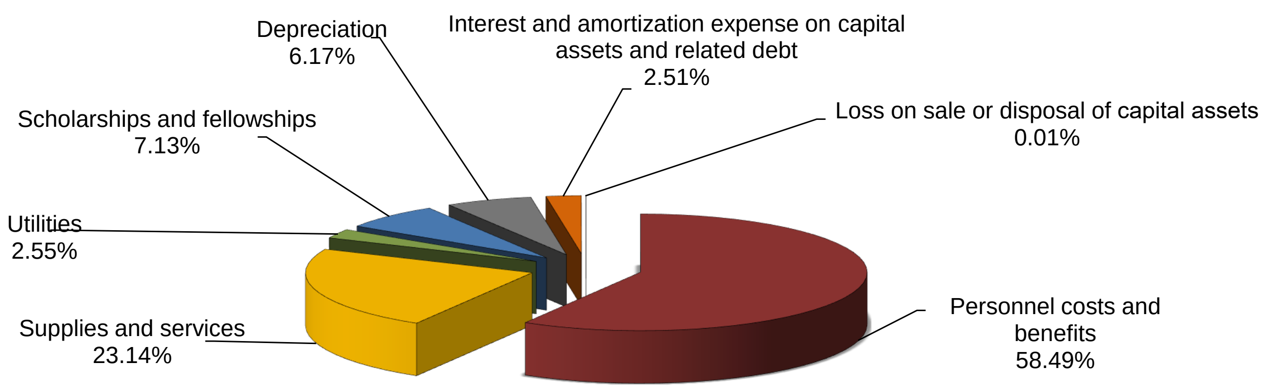
(amounts expressed in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Expenses:										
Personnel costs and benefits	$ 167,037	$ 157,364	$ 154,588	$ 148,112	$ 146,156	$ 141,587	$ 134,171	$ 126,016	$ 120,436	$ 113,725
Supplies and services	66,095	75,549	66,156	64,546	62,609	66,247	68,659	61,625	52,849	51,465
Utilities	7,269	7,572	9,068	8,802	8,678	8,774	8,273	8,807	7,990	7,971
Scholarships and fellowships	20,366	15,777	15,801	15,859	15,829	15,091	15,091	15,457	15,965	15,675
Depreciation	17,622	17,328	15,778	15,658	14,924	14,611	13,555	12,858	14,725	14,757
Total Operating Expenses	$ 278,389	$ 273,590	$ 261,391	$ 252,977	$ 248,196	$ 246,310	$ 239,749	$ 224,763	$ 211,965	$ 203,593
Nonoperating Expenses:										
Interest and amortization expense on capital assets and related debt	$ 7,147	$ 7,507	$ 5,822	$ 10,423	$ 7,663	$ 8,104	$ 7,532	$ 9,367	$ 8,690	$ 8,503
Investment loss	-	-	61	-	-	46	-	-	-	-
Loss on sale or disposal of capital assets	34	108	135	-	4	115	162	43	73	-
Total Nonoperating Expenses	$ 7,181	$ 7,615	$ 6,018	$ 10,423	$ 7,667	$ 8,265	$ 7,694	$ 9,410	$ 8,763	$ 8,503
Expenses	**$ 285,570**	**$ 281,205**	**$ 267,409**	**$ 263,400**	**$ 255,863**	**$ 254,575**	**$ 247,443**	**$ 234,173**	**$ 220,728**	**$ 212,096**

(percent of total expenses)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Expenses:										
Personnel costs and benefits	58.49%	55.98%	57.81%	56.24%	57.12%	55.61%	54.22%	53.81%	54.57%	53.62%
Supplies and services	23.14%	26.87%	24.75%	24.50%	24.47%	26.02%	27.75%	26.32%	23.94%	24.26%
Utilities	2.55%	2.69%	3.39%	3.34%	3.39%	3.45%	3.34%	3.76%	3.62%	3.76%
Scholarships and fellowships	7.13%	5.61%	5.91%	6.02%	6.19%	5.93%	6.10%	6.60%	7.23%	7.39%
Depreciation	6.17%	6.16%	5.90%	5.94%	5.83%	5.74%	5.48%	5.49%	6.67%	6.96%
Total Operating Expenses	97.48%	97.31%	97.76%	96.04%	97.00%	96.75%	96.89%	95.98%	96.03%	95.99%
Nonoperating Expenses:										
Interest and amortization expense on capital assets and related debt	2.51%	2.66%	2.18%	3.96%	3.00%	3.18%	3.04%	4.00%	3.94%	4.01%
Investment loss	0.00%	0.00%	0.02%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%
Loss on sale or disposal of capital assets	0.01%	0.03%	0.04%	0.00%	0.00%	0.05%	0.07%	0.02%	0.03%	0.00%
Total Nonoperating Expenses	2.52%	2.69%	2.24%	3.96%	3.00%	3.25%	3.11%	4.02%	3.97%	4.01%
Expenses	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Expenses by Use - Fiscal year 2020



Source: College of Charleston Comprehensive Annual Financial Reports.

SCHEDULE OF NET POSITION AND CHANGES IN NET POSITION

For the Fiscal Year Ended June 30,

(amounts expressed in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total revenues (from schedule of revenues by source)	$ 283,621	$ 281,116	$ 269,595	$ 272,712	$ 263,238	$ 258,808	$ 252,082	$ 242,703	$ 235,886	$ 226,513
Total expenses (from schedule of expenses by use and function)	(285,570)	(281,205)	(267,409)	(263,400)	(255,863)	(254,575)	(247,443)	(234,173)	(220,728)	(212,096)
Net income before other revenues, expenses, gains or losses	$ (1,949)	$ (89)	$ 2,186	$ 9,312	$ 7,375	$ 4,233	$ 4,639	$ 8,530	$ 15,158	$ 14,417
Capital improvement bond proceeds	-	-	-	-	-	-	-	-	-	2,373
Capital gifts	-	-	1,500	658	178	125	1,500	982	460	155
Capital appropriations	774	607	555	643	864	3,609	3,766	3,753	3,431	218
Prior period adjustment	-	-	(166,094)	-	-	(130,610)	-	-	-	-
Net Position, beginning	21,233	20,715	182,568	171,955	163,538	286,181	276,276	263,011	243,962	226,799
Net Position, ending	**$ 20,058**	**$ 21,233**	**$ 20,715**	**$ 182,568**	**$ 171,955**	**$ 163,538**	**$ 286,181**	**$ 276,276**	**$ 263,011**	**$ 243,962**
Net investment in capital assets	$ 198,753	$ 199,807	$ 200,554	$ 195,634	$ 197,774	$ 192,937	$ 176,597	$ 164,856	$ 159,379	$ 155,328
Restricted - nonexpendable	1,100	1,100	1,100	1,100	1,100	1,124	1,203	1,163	1,110	1,175
Restricted - expendable	73,090	68,826	66,866	67,156	72,255	69,293	62,993	53,289	50,544	44,321
Unrestricted	(252,885)	(248,500)	(247,805)	(81,322)	(99,174)	(99,816)	45,388	56,968	51,978	43,138
Total Net Position	**$ 20,058**	**$ 21,233**	**$ 20,715**	**$ 182,568**	**$ 171,955**	**$ 163,538**	**$ 286,181**	**$ 276,276**	**$ 263,011**	**$ 243,962**

Source: College of Charleston Comprehensive Annual Financial Reports.

SCHEDULE OF RATIOS OF OUTSTANDING DEBT

For the Fiscal Year Ended June 30,
(dollars expressed in thousands except for outstanding debt per student)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenue bonds	$ 195,357	$ 203,365	$ 211,082	$ 219,169	$ 221,687	$ 227,953	$ 178,741	$ 184,572	$ 188,901	$ 160,590
State institution bonds	-	-	2,501	2,931	3,346	3,736	4,105	4,461	4,802	5,122
Notes Payable	184	366	544	-	-	-	-	-	-	-
Bond anticipation note	-	-	-	-	-	-	-	-	-	33,500
Capital lease obligations	-	-	-	-	-	-	-	-	-	3,550
Total Outstanding Debt	$ 195,541	$ 203,731	$ 214,127	$ 222,100	$ 225,033	$ 231,689	$ 182,846	$ 189,033	$ 193,703	$ 202,762
Full time equivalent students (fiscal year)	9,575	9,855	9,824	10,257	10,365	10,354	10,538	10,558	10,548	10,206
Outstanding debt per student	$ 20,422	$ 20,673	$ 21,796	$ 21,654	$ 21,711	$ 22,377	$ 17,351	$ 17,904	$ 18,364	$ 19,867

Note: Outstanding debt per student calculated using full time equivalent enrollment data for each of the last ten years.

Source:
College of Charleston Comprehensive Annual Financial Reports.
College of Charleston Office of Institutional Research.

TUITION AND FEES

Last Ten Academic Years

Academic Year Beginning in Fall		Undergraduate (1) Resident	Undergraduate (1) Nonresident	Undergraduate (2) Resident	Undergraduate (2) Nonresident
2019		$ 12,518	$ 32,848	$ 522	$ 1,369
2018		12,418	31,600	517	1,317
2017		11,998	30,386	500	1,266
2016		11,386	29,544	474	1,231
2015		11,000	28,544	458	1,189
2014		10,558	27,548	440	1,148
2013		10,230	26,694	426	1,112
2012		9,918	25,304	413	1,054
2011		9,616	24,330	401	1,014
2010	(3)	10,314	23,172	430	966

		Graduate (1) Resident	Graduate (1) Nonresident	Graduate (2) Resident	Graduate (2) Nonresident
2019		$ 13,770	$ 36,132	$ 574	$ 1,506
2018		13,660	34,760	569	1,448
2017		13,198	33,424	550	1,393
2016		12,524	32,498	522	1,354
2015		12,100	31,398	504	1,308
2014		11,614	30,304	484	1,263
2013		11,254	29,364	469	1,224
2012		10,910	27,834	455	1,160
2011		10,580	26,764	441	1,115
2010	(3)	11,346	25,490	473	1,062

Notes: (1) Full-time fees are assessed for 12 or more credit hours each semester.
(2) Part-time fees are assessed per credit hour up to 12 hours in a semester.
(3) Tuition was subsequently reduced for the 2011 Spring semester.

Source: College of Charleston Office of Institutional Research.

SCHEDULE OF BOND COVERAGE

Last Ten Fiscal Years

(amounts expressed in thousands)

Fiscal Year Ended June 30,		Defined Net Revenue Available for Debt Service		Total Revenue Available for Debt Service	Debt Service Payment Requirements						Coverage Ratio
						Principal		Interest		Total	
Revenue Bonds											
2020	$	21,455	$	29,661	$	7,545	$	7,640	$	15,185	1.95
2019		26,725		34,594		7,255		7,925		15,180	2.28
2018		24,547		31,796		7,625		8,216		15,841	2.01
2017		27,718		34,448		7,450		8,994		16,444	2.09
2016		25,276		32,013		6,225		9,196		15,421	2.08
2015		24,329		30,577		6,020		7,197		13,217	2.31
2014		17,688		27,419		5,825		7,293		13,118	2.09
2013		17,819		27,552		6,085		8,074		14,159	1.95
2012		19,090		27,436		5,645		7,535		13,180	2.08
2011		17,605		25,375		5,415		7,763		13,178	1.93
State Institutional Bonds											
2020	A $	-	$	-	$	-	$	-	$	-	-
2019		652		652		450		100		550	1.19
2018		655		655		430		115		545	1.20
2017		684		684		415		130		545	1.26
2016		683		683		390		143		533	1.28
2015		685		685		370		156		526	1.30
2014		693		693		355		169		524	1.32
2013		697		697		340		179		519	1.34
2012		701		701		320		189		509	1.38
2011		703		703		305		198		503	1.40

A - State Institutional Bonds were retired in fiscal year 2019.

Source: College of Charleston Controller's Office.

ADMISSIONS, ENROLLMENT, AND DEGREE STATISTICS

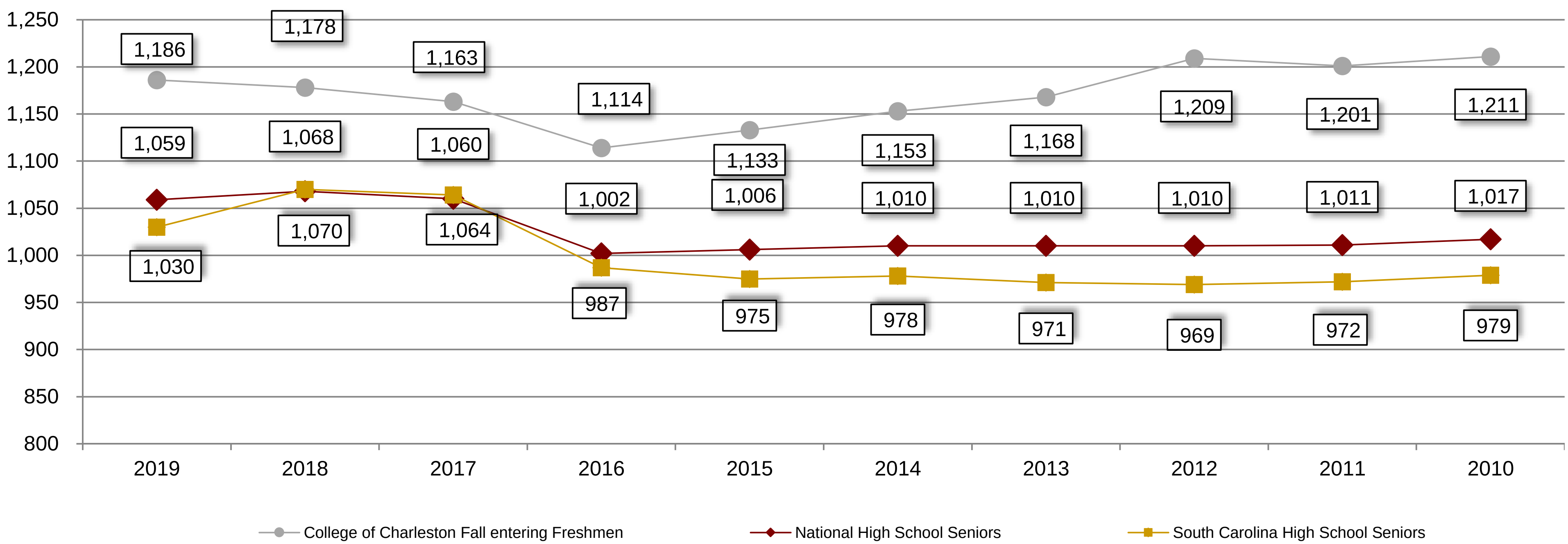
Last Ten Years - Fall

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Admissions - Freshman										
Applications	11,783	11,675	11,900	10,828	11,722	11,179	11,533	11,510	11,086	11,280
Applications accepted	9,230	9,254	9,574	9,110	9,043	8,722	8,331	8,098	8,149	7,896
Accepted as a percentage of applications	78.3%	79.3%	80.5%	84.1%	77.1%	78.0%	72.2%	70.4%	73.5%	70.0%
Students enrolled	2,051	2,199	1,840	2,349	2,237	2,166	2,116	2,138	2,334	2,010
Enrolled as a percentage of accepted	22.2%	23.8%	19.2%	25.8%	24.7%	24.8%	25.4%	26.4%	28.6%	25.5%
SAT scores - total*	1,186	1,178	1,163	1,114	1,133	1,153	1,168	1,209	1,201	1,211
Verbal*	605	600	596	561	573	581	589	606	605	606
Math*	581	578	567	553	560	571	579	603	596	605
South Carolina average SAT score - total	1,030	1,070	1,064	987	975	978	971	969	972	979
U.S. average SAT score - total	1,059	1,068	1,060	1,002	1,006	1,010	1,010	1,010	1,011	1,017
Enrollment										
Undergraduate and graduate FTE	9,575	9,855	9,824	10,257	10,365	10,354	10,538	10,558	10,548	10,206
Undergraduate and graduate headcount	10,545	10,783	10,863	11,294	11,531	11,456	11,619	11,723	11,649	11,532
Percentage of Men	34.8%	34.8%	35.7%	35.6%	35.5%	36.0%	36.4%	36.0%	36.4%	35.4%
Percentage of Women	65.2%	65.2%	64.3%	64.4%	64.5%	64.0%	63.6%	64.0%	63.6%	64.6%
Percentage of African American	7.7%	7.9%	8.1%	8.1%	7.8%	7.2%	6.4%	6.2%	5.8%	6.3%
Percentage of White	77.4%	77.3%	77.3%	78.7%	79.6%	80.5%	81.8%	82.6%	83.4%	83.3%
Percentage of Other	15.0%	14.8%	14.6%	13.2%	12.6%	12.3%	11.8%	11.2%	10.8%	10.4%
Degrees Earned										
Undergraduate	2,399	2,380	2,304	2,613	2,507	2,375	2,402	2,333	2,327	2,380
Graduate	238	246	270	244	254	283	246	237	216	246

Source: College of Charleston Office of Institutional Research.

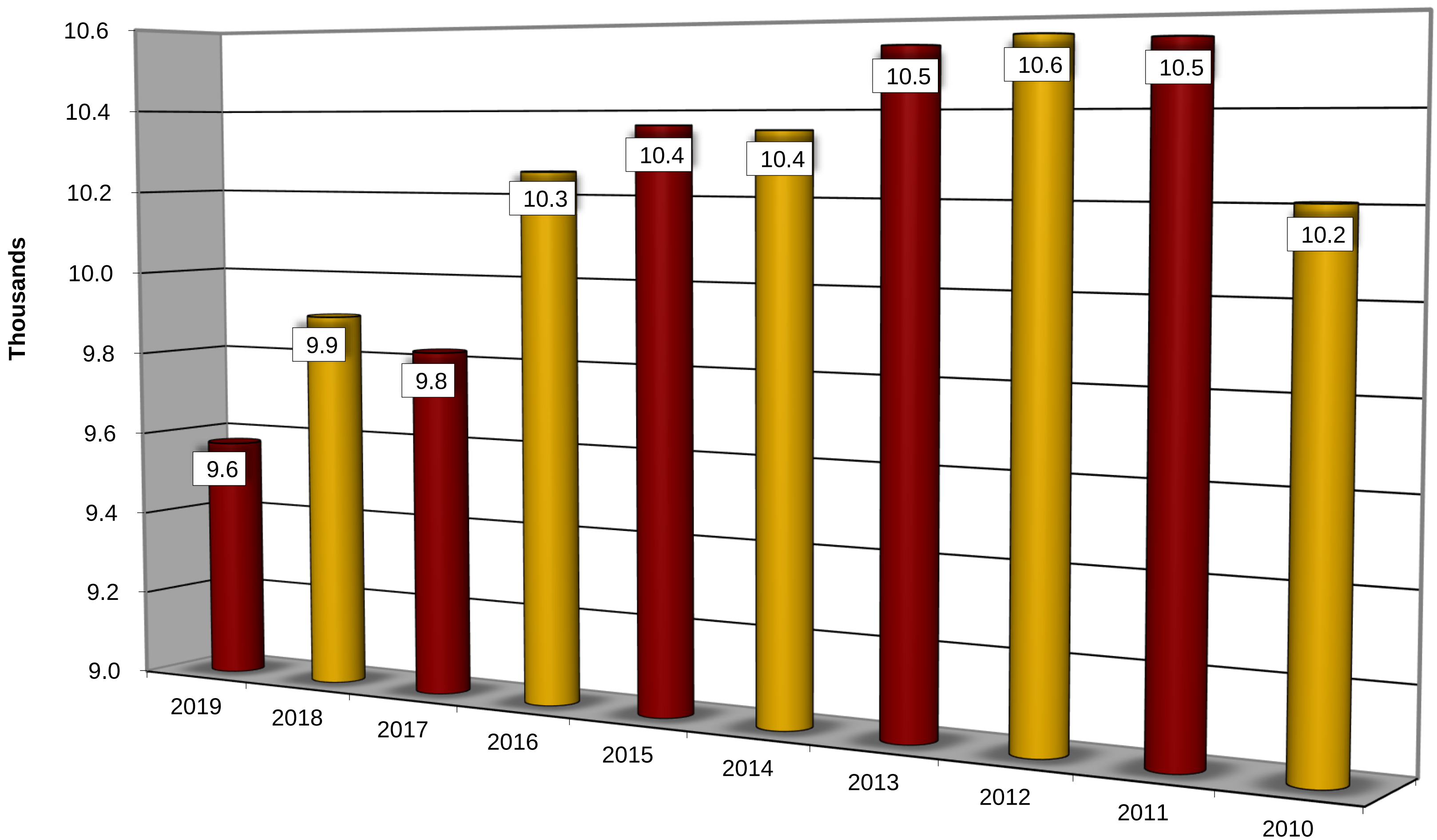
* The College Board made scoring changes to the SAT in March 2016. Per IPEDS reporting requirements, averages reported for the Fall 2016 and earlier classes are based on an older SAT scale. The averages reported beginning Fall 2017 are based on the new scale. Comparisons of SAT data between earlier years and Fall 2017 are not valid.

College of Charleston
Average Combined SAT Scores
Last Ten Years - Fall



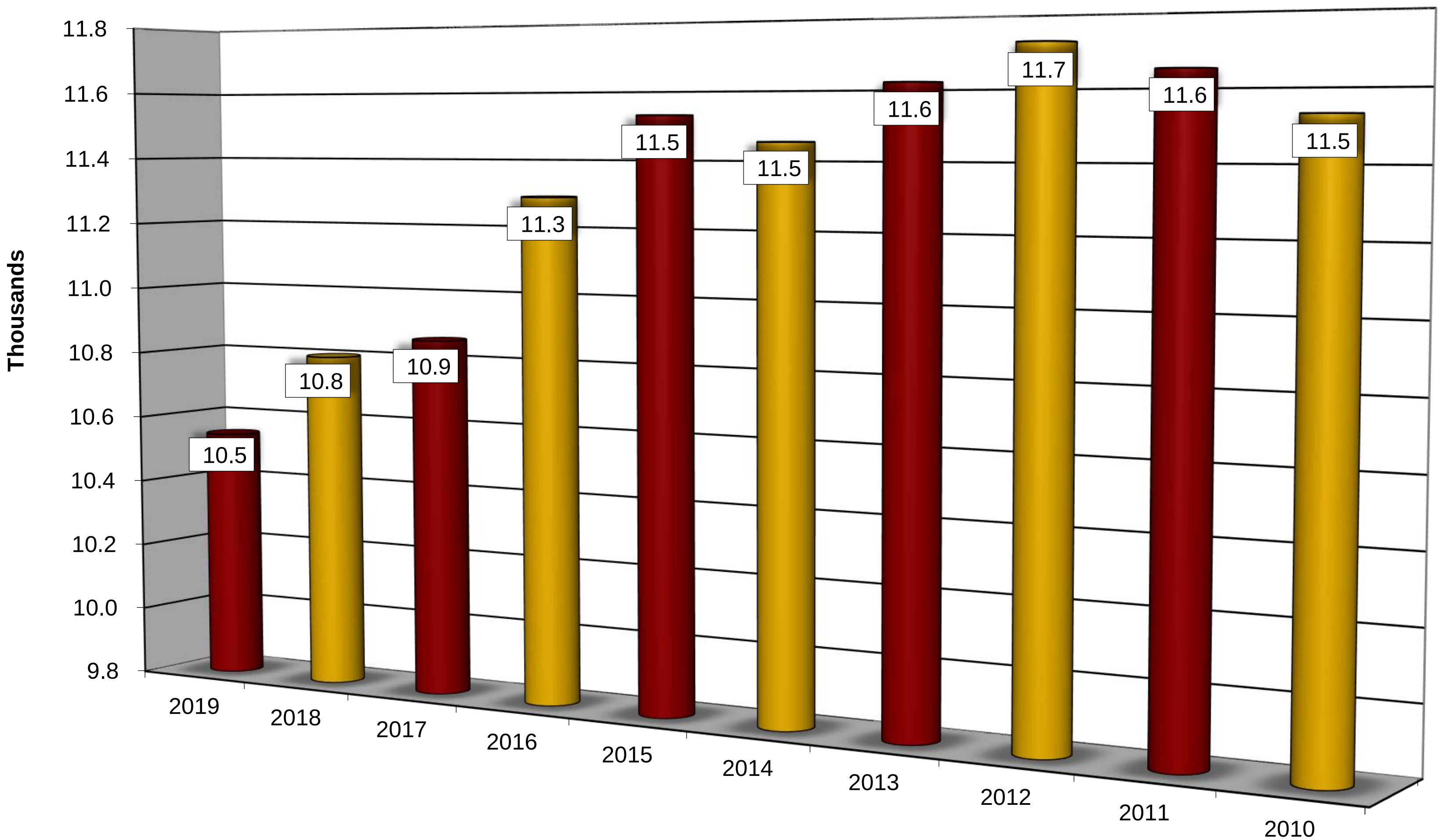
Source: College of Charleston Office of Institutional Research.

College of Charleston
Student Full Time Equivalents
Last Ten Years - Fall



Source: College of Charleston Office of Institutional Research.

College of Charleston
Student Head Count
Last Ten Years - Fall



Source: College of Charleston Office of Institutional Research.

DEMOGRAPHIC STATISTICS
State of South Carolina

Year	Personal Income (in thousands) as of June 30 (a)	Population as of July 1 (a)	Per Capita Income (a)	Average Annual Unemployment Rate (b)
2019	$ 233,308,826	5,148,714	$ 45,314	2.8%
2018	217,275,251	5,084,127	42,736	3.4%
2017	203,087,627	5,024,369	40,421	4.3%
2016	198,762,651	4,987,575	39,852	4.8%
2015	186,285,746	4,869,991	38,041	6.0%
2014	178,485,001	4,832,482	36,934	6.6%
2013	169,282,713	4,774,839	35,453	7.6%
2012	161,863,730	4,723,723	34,266	9.1%
2011	156,230,797	4,679,230	33,673	10.3%
2010	149,283,181	4,596,958	33,163	11.2%

Source:
(a) U.S. Board of Economic Analysis
(b) U.S. Department of Labor

TEN LARGEST EMPLOYERS
State of South Carolina

Latest Completed Calendar Year and Ten Years Prior
(Listed alphabetically)

2019	2009
BMW Manufacturing Corp.	Bi-Lo, Inc.
Department of Defense	Blue Cross Blue Shield of South Carolina
Medical University of SC Hospital Authority	Department of Defense
Michelin North America, Inc.	Greenville Health System
PRISMA Health Midlands	Michelin North America, Inc.
School District of Greenville County	Palmetto Health
Spartanburg Regional Medical Center	School District of Greenville County
University of South Carolina	University of South Carolina
Upstate Affiliate Organization	U.S. Postal Service
Wal-Mart Associates, Inc.	Wal-Mart Associates, Inc.

Note: Due to confidentiality, the number of employees for each company is not available, and the employers are listed alphabetically rather than in order of size.

Source: South Carolina Department of Employment and Workforce.

FACULTY AND STAFF STATISTICS
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instructional Faculty										
Part time	353	355	356	364	367	368	338	373	354	337
Full time	526	534	522	531	548	542	535	519	521	510
Percentage tenured	67%	65%	66%	65%	63%	63%	64%	63%	62%	59%
Staff and administrators with faculty rank										
Full time	1,013	993	983	994	1,014	1,024	1,009	971	967	964
Full time permanent	916	876	864	856	897	899	902	868	858	837
Full time temporary*	97	117	119	138	117	125	107	103	109	127
Other employees										
Part time temporary	166	160	183	168	198	214	220	220	178	172
Graduate assistants	156	171	169	173	165	175	141	109	140	154
Total employees										
Part time	675	686	708	705	730	757	699	702	672	663
Full time*	1,539	1,527	1,505	1,525	1,562	1,566	1,544	1,490	1,488	1,474
FTE Students per full time										
Instructional Faculty	18.2	18.5	18.8	19.3	18.9	19.1	19.7	20.3	20.2	20.0
Staff member	9.5	9.9	10.0	10.3	10.2	10.1	10.4	10.9	10.9	10.6
Average annual faculty salary	$ 79,414	$ 76,664	$ 77,350	$ 77,145	$ 74,564	$ 73,641	$ 69,719	$ 68,807	$ 65,965	$ 64,679

Source: College of Charleston Office of Institutional Research - IPEDS Human Resources Survey.

SCHEDULE OF CAPITAL ASSET INFORMATION

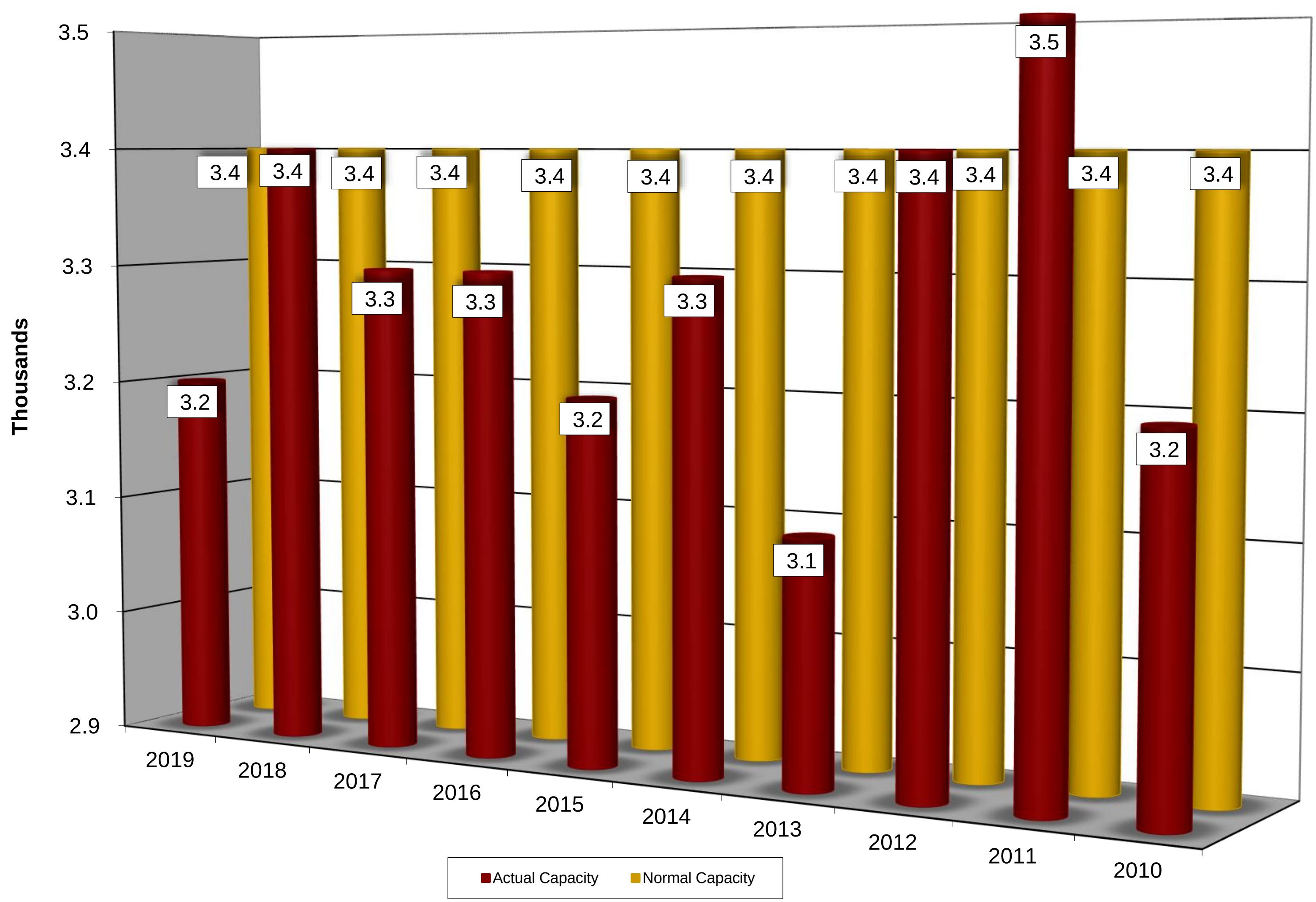
Fall	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Academic buildings										
Net assignable square feet (in thousands)	803	751	751	728	734	757	765	758	751	722
Administrative and support buildings										
Net assignable square feet (in thousands)	275	281	281	286	245	189	173	171	168	169
Laboratories										
Net assignable square feet (in thousands)	203	190	190	175	178	176	189	176	173	173
Auxiliary and independent operations buildings										
Net assignable square feet (in thousands)	1,126	994	994	994	962	980	1,001	1,029	1,019	1,046
Libraries	1	1	1	1	1	1	1	1	1	1
Number of volumes (in thousands)	1,681	1,626	1,521	1,495	1,355	1,178	1,087	1,071	939	816
Volumes per student	159	151	140	132	118	103	94	91	81	71
Student Housing:										
Residence Halls	8	8	8	8	7	7	8	8	8	8
Apartments	3	3	4 **	3	3	3	3	3	3	3
Other housing options	23 *****	22 ***	24	24	27	27	26	30	30	30
Units available	2,286 ******	3,375	3,424	3,409	3,404	3,374	3,230	3,284	3,235	3,408
Units in use	2,067	3,247	3,358	3,261	3,325	3,218	3,287	3,183	3,115	3,446
Percent occupancy	90.4%	96.2%	98.1%	95.7%	97.7%	95.4%	101.8%	96.9%	96.3%	101.1%
Dining facilities:										
Locations	10 *******	11	11	11	11 *	10	8	8	6	6
Average daily customers	2,146	7,283	7,875	6,913	7,221	6,627	6,227	6,165	5,404	5,470
Parking facilities:										
Parking spaces available	1,691	1,691 ****	1,792	1,719	1,806	1,974	2,174	2,224	2,224	2,269
Parking permits issued to students	422	615	693	702	723	666	835	991	989	972
Parking permits issued to faculty/staff	811	1,105	1,047	972	981	1,030	980	966	938	959

* One additional dining facility opened January 2016, averaging 172 daily customers in Fiscal Year 2016.
**Includes use of 29 rooms at NoMo for 2018-2019.
***90 Wentworth and 107 Wentworth offline for renovation.
****80 spaces in City's harbor front lot no longer available.
*****107 Wentworth offline.
******De-densified buildings due to COVID-19; Buist not assigned - used for isolation; 81 quarantine beds among other buildings.
*******Stern offline - kitchen to be used to prepare Q&I (Quarantine and Isolation) meals for delivery and grab-and-go meals for convenience locations.

Sources:

Building square footage:	College of Charles College of Charleston Division of Business Affairs.
Libraries:	College of Charles College of Charleston Library.
Student Housing, Dining and Parking facilities:	College of Charles College of Charleston Business and Auxiliary Services.

College of Charleston
Residence Hall Occupancy
Fall



Source: College of Charleston Office of Institutional Research.

ACADEMIC SUBJECT AREAS AND DEGREES OFFERED

Spring 2020

UNDERGRADUATE				GRADUATE	
Accounting	A.B., B.S.	History	A.B., B.A.	Accountancy	M.S.
African American Studies	A.B., B.A.	Hospitality and Tourism Management	A.B., B.S.	Arts and Cultural Management	CER
Anthropology	A.B., B.S.	International Business	A.B., B.S.	Business Administration	M.B.A.
Archaeology	A.B., B.A.	International Studies	A.B., B.A.	Child Life	M.S.
Art History	A.B., B.A.	Jewish Studies	A.B., B.A.	Communication	M.A.
Arts Management	A.B., B.A.	Latin American and Caribbean Studies	A.B., B.A.	Community Planning, Policy, and Design	M.A.
Astronomy	A.B., B.A.	Marine Biology	A.B., B.S.	Computer and Information Sciences	M.S.
Astrophysics	A.B., B.S.	Marketing	A.B., B.S.	Creative Writing	M.F.A.
Biochemistry	A.B., B.S.	Mathematics	A.B., B.S.	Cybersecurity	CER
Biology	A.B., B.A., B.S.	Meteorology	A.B., B.A.	Data Science and Analytics	M.S.
Business Administration	A.B., B.S.	Middle Level Education	A.B., B.S.	Early Childhood Education	M.A.T.
Chemistry	A.B., B.A., B.S.	Music	A.B., B.A.	Elementary Education	M.A.T.
Classics	A.B., B.A.	Philosophy	A.B., B.A.	English	M.A.
Commercial Real Estate Finance	A.B., B.S.	Physical Education	A.B., B.S.	English to Speakers of Other Languages, Initial	CER
Communication	A.B., B.A.	Physics	A.B., B.A., B.S.	Environmental Studies	M.S.
Computer Information Systems	A.B., B.S.	Political Science	A.B., B.A.	Gifted and Talented Education	CER
Computer Science	A.B., B.A., B.S.	Professional Studies	B.P.S.	Historic Preservation	M.S.
Computing in the Arts	A.B., B.A.	Project Management	UCER	History	M.A.
Dance	A.B., B.A.	Psychology	A.B., B.A., B.S.	Information Systems	CER
Data Science	A.B., B.S.	Public Health	A.B., B.A., B.S.	Languages	M.Ed.
Early Childhood Education	A.B., B.S.	Religious Studies	A.B., B.A.	Marine Biology	M.S.
Economics	A.B., B.S.	Secondary Education	A.B., B.S.	Mathematical Sciences	M.S.
Elementary Education	A.B., B.S.	Sociology	A.B., B.S.	Middle Grades Education	M.A.T.
English	A.B., B.A.	Spanish	A.B., B.A.	Operations Research	CER
Exercise Science	A.B., B.S.	Special Education	A.B., B.S.	Performing Arts	M.A.T.
Finance	A.B., B.S.	Studio Art	A.B., B.A.	Public Administration	M.P.A
Foreign Language Education	A.B., B.S.	Supply Chain Management	A.B., B.S.	Science and Math for Teachers	M.Ed.
French & Francophone Studies	A.B., B.A.	Sustainability and 21st Century Business Solutions	UCER	Software Engineering	CER
General Studies	B.G.S.	Systems Engineering	A.B., B.S.	Special Education	CER, M.A.T., MCER
Geology	A.B., B.A., B.S.	Theatre	A.B., B.A.	Statistics	CER
German	A.B., B.A.	Urban Studies	A.B., B.A.	Teaching, Learning and Advocacy	M.Ed.
Historic Preservation & Community Planning	A.B., B.A.	Women's and Gender Studies	A.B., B.A.	Urban and Regional Planning	CER

A.B. - Artium Baccalaureatus (classical studies)
B.A. - Bachelor of Arts
B.G.S. Bachelors of General Studies
B.P.S. - Bachelor of Professional Studies
B.S. - Bachelor of Science
CER - Post-Baccalaureate Certificate
M.A. - Master of Arts
M.A.T. - Master of Arts in Teaching

M.B.A. - Master of Business Administration
M.Ed. - Master of Education
M.F.A. - Master of Fine Arts
M.P.A. - Master of Public Administration
M.S. - Master of Science
MCER - Post-Master's Certificate
UCER - Undergraduate Certificate

Source: College of Charleston Office of Institutional Research.

COLLEGE OF CHARLESTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Students hold ceremony programs on stage during spring commencement, College of Charleston, May 10, 2019.

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

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Burr & Forman LLP
100 Calhoun Street, Suite 400
Charleston, SC 29401

Mailing Address:
Post Office Box 1431
Charleston, SC 29402

Office 843.723.7831
Fax 843.722.3227

BURR.COM

__________, 2021

College of Charleston
Charleston, South Carolina

Re: $___________ College of Charleston Academic and Administrative Facilities Revenue Bonds, Series 2021B

We have acted as bond counsel in connection with the issuance by the College of Charleston (the "College") of the $___________ Academic and Administrative Facilities Revenue Bonds, Series 2021B (the "Series 2021B Bonds") dated as of __________, 2019. In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Series 2021B Bonds are issued pursuant to Title 59, Chapter 130, Article 5, Code of Laws of South Carolina, 1976, as amended, a General Bond Resolution of the College adopted on April 16, 2002, and a Series 2021B Bond Resolution of the College effective as of __________, 2021 (collectively, the "Resolution"). Under the Resolution, the College has pledged certain revenues (the "Net Revenues") for the payment of the principal of and premium (if any) and interest on the Series 2021B Bonds when due.

As to questions of fact material to our opinion, we have relied upon the representations of the College contained in the Resolution and in the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The College is an institution of higher education of the State of South Carolina with the power to adopt the Resolution, perform the agreements on its part contained therein and issue the Series 2021B Bonds.

2. The Resolution has been duly adopted by the College and constitutes a valid and binding obligation of the College enforceable upon the College.

3. The Resolution creates a valid lien on the Net Revenues and other funds pledged by the Resolution for the security of the Series 2021B Bonds on a parity with other Bonds issued or to be issued under the Resolution.

4. The Series 2021B Bonds have been duly authorized, executed and delivered by the College and are valid and binding limited obligations of the College, payable solely from the Net Revenues and other funds provided therefor in the Resolution.

5. Interest on the Series 2021B Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The opinion set forth in the preceding sentence is subject to the condition that the College comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2021B Bonds in order that interest thereon be or continue to be, excluded from gross income for federal income tax purposes. The College has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2021B Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021B Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Series 2021B Bonds.

6. Under the laws of the State of South Carolina, the Series 2021B Bonds and the interest thereon are presently exempt from all taxation in the State, except for estate or other transfer taxes. It should be noted, however, that Section 12-11-20, Code of Laws of South Carolina, 1976 as amended, imposes upon every bank engaged in business in the State a fee or franchise tax computed on the entire net income of such bank which includes interest paid on the Series 2021B Bonds.

It is to be understood that the rights of the owners of the Series 2021B Bonds and the enforceability of the Series 2021B Bonds and the Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

Very truly yours,

BURR & FORMAN LLP

APPENDIX C

CERTAIN PROVISIONS OF THE RESOLUTION

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APPENDIX C

CERTAIN PROVISIONS OF THE RESOLUTION

The General Bond Resolution and the Series 2021B Bond Resolution contain various covenants and security provisions some of which are summarized below and under the captions "THE SERIES 2021B BONDS" and "SECURITY FOR THE SERIES 2021B BONDS" in the Official Statement of which this Appendix is a part. Whenever particular provisions of the General Bond Resolution or the Series 2021B Bond Resolution are referred to, such provisions should be considered incorporated by reference as part of the statements made, and the statements made are qualified in their entirety by such provisions. Reference is made to the General Bond Resolution and the Series 2021B Bond Resolution for a full and complete statement of their provisions.

"Academic Act" shall mean Title 59, Chapter 130, Code of Laws of South Carolina, 1976, as amended.

"Acts" shall mean the Higher Education Act and the Academic Act.

"Additional Bonds" shall mean any additional parity bonds authorized to be issued by the College pursuant to the terms and conditions of Article III of the General Bond Resolution.

"Annual Budget" shall mean the annual budget required by Section 7.8 of the General Bond Resolution and adopted in conformance therewith.

"Authorized Denomination" shall mean $5,000 or any integral multiple thereof.

"Board of Trustees" shall mean the Board of Trustees of the College, constituted by Section 59-130-10, Code of Laws of South Carolina, 1976, as amended.

"Bond Year" shall mean the period from July 1 in any year to and including June 30 of the following year.

"Bond" or "Bonds" shall mean any Bond, some of the Bonds or all of the Bonds issued under and pursuant to Article III of the General Bond Resolution.

"Bondholders" or the term "Holders" or any similar term shall mean the registered owner or owners of any Outstanding Bond or Bonds.

"Books of Registry" shall mean the registration books maintained by the Trustee as bond registrar in accordance with Section 4.3 of the General Bond Resolution.

"Business Day" shall mean a day which is not a Saturday, Sunday, legal holiday or day on which banking institutions are authorized by law to close in the State of South Carolina or in the jurisdiction where the principal corporate trust office of the Custodian or the Trustee is located.

"Capital Improvement Fee" shall mean the $906 per semester per full time student "capital improvement fee" which is subject to change at the discretion of the Board of Trustees.

"Capital Improvements Fund" shall mean the fund of that name established pursuant to Section 6.8 of the General Bond Resolution.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor provision of law.

"College" shall mean the College of Charleston, a four-year public institution of higher education.

"Construction Fund" shall mean any fund established with and maintained by the Custodian named by resolution of the Board of Trustees, and derived from certain of the proceeds of the sale of the Bonds and intended to defray the cost of all or a portion of any Project and to pay all Costs of Acquisition and Construction in connection therewith, as established in a Supplemental Resolution authorizing the issuance of any Series of Bonds.

"Cost of Acquisition and Construction" shall mean, to the extent permitted by the Act, all costs of acquiring, constructing, reconstructing, replacing, extending, repairing, bettering, equipping, developing, embellishing or otherwise improving the Higher Education Facilities, including the Costs of Issuance and capitalized interest on

Bonds. Cost of Acquisition and Construction shall include the payment of amounts due on bond anticipation notes, the proceeds of which were used for Cost of Acquisition and Construction.

"Cost of Issuance" shall mean all items of expense, directly or indirectly payable or reimbursable by or to the College and related to the development of financial information and the authorization, sale and issuance of Bonds including, but not limited to, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any Trustee or Custodian, legal fees and charges, auditing and accounting fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Bonds, costs and expenses of refunding, premiums for insurance of the payment of Bonds, premiums for Debt Service Reserve Fund surety bonds or policies, financing charges, accrued interest with respect to the initial investment of proceeds of Bonds and any other costs, charges or fees in connection with the original issuance of Bonds.

"Custodian" shall mean any bank or trust company or national banking association or national association (which may be the Trustee) selected by the College as a depositary of moneys or securities held in the Construction Fund, the Revenue Fund, the Capital Improvements Fund, the Operation and Maintenance Fund, the Reserve Fund or the Rebate Fund.

"Debt Service" shall mean, with respect to the Bonds and with respect to any particular Bond Year, the aggregate of the amounts to be paid or set aside (or estimated to be required to be paid or set aside) in the Debt Service Fund in such Bond Year for the payment of the principal of, redemption premium, if any, and interest (to the extent not capitalized) on the Bonds or such Series of Bonds.

"Debt Service Fund" shall mean the fund of that name established pursuant to Section 6.6 of the General Bond Resolution.

"Debt Service Reserve Fund" shall mean the fund of that name established pursuant to Section 6.7 of the General Bond Resolution.

"Default" or "Event of Default" shall mean any of those defaults specified in and defined by Article X of the General Bond Resolution.

"EMMA" shall mean the Electronic Municipal Market Access (EMMA) system created by the Municipal Securities Rulemaking Board.

"Financial Advisor" shall mean the person, firm or corporation having experience in the field of rendering financial advice to governmental bodies, designated as such from time to time by the College. The term Financial Advisor shall also include the State Treasurer of South Carolina.

"Fiscal Year" shall mean the fiscal year for the College as determined by the Board of Trustees, initially being the period from July 1 in any calendar year to and including June 30 of the succeeding calendar year.

"General Account" means the account by that name created in the Construction Fund pursuant to Section 4.1 of the General Bond Resolution.

"General Bond Resolution" shall mean the General Bond Resolution enacted by the Board of Trustees on April 16, 2002, authorizing the issuance of Higher Education Facilities Revenue Bonds of the College.

"Government Obligations" shall mean direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States.

"Higher Education Act" shall mean, Title 59, Chapter 147, Code of Laws of South Carolina, 1976, as amended.

"Higher Education Facilities" shall mean land, buildings or other improvements to real property and equipment for the purpose of providing facilities for the College, including, but not limited to, dormitories, apartment buildings, dwelling houses, bookstore and other college operated stores, laundry, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other non-degree educational facilities and similar auxiliary facilities of the College and any other facilities which are auxiliary to any of the foregoing, and designated by the Board of Trustees to be part of the Higher Education Facilities, excluding however, athletic department projects which primarily serve varsity athletic teams of the College.

"Holder" or "Bondholder" or "Registered Owner" shall mean the person in whose name a Series 2021B Bond is registered in the books maintained for such purpose.

"Insurer" shall mean any firm which has issued a municipal bond insurance policy guaranteeing the timely payment of principal and interest on any Series of Bonds issued under the authorization of the General Bond Resolution.

"Interest Account" shall mean the account by that name created in the Debt Service Fund.

"Interest Payment Date" shall mean April 1 and October 1 of each year, commencing **[April 1, 2022]**.

"Investment Securities" shall mean any of the following, if and to the extent that the same are at the time legal for investment of funds of the College:

(1) obligations of any federal agencies which obligations represent the full faith and credit of the United States of America, including, but not limited to:

- Export-Import Bank
- Farm Credit Higher Education Facilities Financial Assistance Corporation
- Rural Economic Community Development Administration (formerly Farmers Home Administration
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration

(2) senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) and "Aaa" by Moody's Investors Service, Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation. Senior debt obligations of other Government Sponsored Agencies;

(3) U. S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P and "P-1" by Moody's and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(4) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P and "P-1" by Moody's and which matures not more than 270 days after the date of purchase;

(5) investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P or rated Aaa by Moody's;

(6) Pre-refunded Municipal Obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or

(B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or Government Obligations which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

(7) investment agreements approved in writing (supported by appropriate opinions of counsel) with notice to the Rating Agencies; and

(8) other forms of investments (including repurchase agreements) approved in writing with notice to the Rating Agencies.

The value of the above investments shall be determined as provided in "Value" below.

"Maximum Debt Service" shall mean the highest principal and interest requirements on the Bonds then Outstanding during any Bond Year. With respect to Bonds that bear interest at a variable rate, for purposes of determining maximum annual debt service requirements for complying with the rate covenant (Section 7.1) and the test for issuance of additional bonds (Section 3.3(D)), Maximum Debt Service shall be calculated based on the rate of interest that such Bonds would bear if such Bonds bore interest at the greater of the weighted average rate applicable to such bonds for the current month or the 12 months preceding the date of calculation (or, if a calculation is to be made before such Bonds have been Outstanding for 12 months, then the weighted average rate applicable to such Bonds as of the date of such calculation).

"Net Revenues" shall mean the Revenues after deducting the Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" shall mean the current expenses, paid or accrued, of operation, maintenance and current repair of the Higher Education Facilities, as calculated in accordance with sound accounting practice, and shall include, without limiting the generality of the foregoing, management fees due to any operator of all or any portion of the Higher Education Facilities, the cost of salaries, wages, employee benefits, cost of materials and supplies, cost of routine repairs, renewals, replacements and alterations occurring in the usual course of business, cost of billings and collections, cost of insurance, costs of audits, and taxes, if any. Operation and Maintenance Expenses shall not include any allowance for depreciation or renewals or replacements of capital assets of the Higher Education Facilities.

"Operation and Maintenance Fund" shall mean the fund of that name established pursuant to Section 6.5 of the General Bond Resolution.

"Outstanding" when used with respect to any Bond shall have the construction given to such word in Article XII of the General Bond Resolution; i.e., a Bond shall not be Outstanding if such Bond is not, or would not be, at the time, deemed to be Outstanding by reason of the operation and effect of said Article XII.

"Paying Agent" shall mean for each Series of Bonds the respective paying agent or paying agents appointed pursuant to the proceedings authorizing such Bonds.

"Principal Account" shall mean the account by that name created within the Debt Service Fund.

"Project" shall mean any work, undertaking or project authorized by the Board of Trustees for which Bonds are issued and such Project shall constitute a part of the Higher Education Facilities.

"Rating Agencies" shall mean Standard & Poor's Ratings Group, Moody's Investors Service, Fitch Inc., or any other nationally recognized rating service, to the extent that any then maintains a rating on an applicable Series of Bonds.

"Rebate Fund" shall mean the fund of that name established pursuant to Section 6.10 of the General Bond Resolution.

"Record Date" shall mean with respect to any Series of Bonds the fifteenth (15th) day (whether or not a business day) of the calendar month immediately preceding an interest payment date or such other day as may be provided in the Supplemental Resolution authorizing the issuance of such Series of Bonds.

"Registrar" shall mean for each Series of Bonds the respective registrar or registrars appointed pursuant to the proceedings authorizing such Bonds.

"Reserve Fund Requirement" shall mean, with respect to each Series of Bonds, either (a) an amount equal to the least of (i) 10% of the stated principal amount of the issue, (ii) the maximum annual principal and interest requirements on the issue, or (iii) 125% of the average annual principal and interest requirements on the issue, or (b) such lesser amount as may be prescribed in the Supplemental Resolution authorizing a given Series of Bonds.

"Revenue Fund" shall mean the fund of that name established pursuant to Section 6.4 of the General Bond Resolution.

"Revenues" shall mean collectively, the sum of (A) all receipts, income, revenues, fees and other charges to be levied and collected in connection with, and all other income and receipts of whatever kind or character derived by the College from the operation of the Higher Education Facilities, including interest earnings and other earnings on investments, computed in accordance with generally accepted accounting practices excluding the proceeds of any grants or debt, contributions in aid of construction, gains or losses on extinguishment of debt, and extraordinary items, and (B) all other available revenues of the College designated by the Board of Trustees as Revenues under the General Bond Resolution and thereby pledged to the payment of Bonds issued under the General Bond Resolution.

"Securities Depositories" shall mean The Depository Trust Company, 7 Hanover Square, New York, New York 10004, Fax (212) 709-1706, or to such other addresses and/or such other securities depositories as the College may designate.

"Serial Bonds" shall mean Bonds which are not Term Bonds.

"Series 2021B Bonds" means the $__________ College of Charleston Academic and Administrative Facilities Revenue Bonds, authorized to be issued hereunder.

"Series 2021B Bond Resolution" means the resolution duly adopted by the Board of Trustees and effective on ____________, 2021.

"Series 2021B Project" means (i) renovation and expansion of the Simons Center for the Arts, (ii) the funding of a deposit, if any, to the Debt Service Reserve Fund, and (iii) paying certain Cost of Issuance.

"Series" or "Series of Bonds" or "Bonds of Series" shall mean all Bonds designated as being of the same series issued and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter delivered in lieu thereof or in substitution therefor pursuant to the General Bond Resolution.

"Special Facilities" shall mean any future extensions or additions to the Higher Education Facilities, the revenues and expenses resulting from the operation of which can be segregated from the revenues and expenses of the Higher Education Facilities and which the College shall designate as such by resolution.

"State" shall mean the State of South Carolina.

"Supplemental Resolution" shall mean any resolution adopted by the Board of Trustees providing for the issuance of Bonds and any resolution adopted by the Board of Trustees pursuant to and in compliance with the provisions of Article IX of the General Bond Resolution amending or supplementing the provisions of the General Bond Resolution.

"Term Bond" shall mean any Bond designated as such by the Supplemental Resolution providing for its issuance.

"Test Period" shall mean that period defined in Section 3.3 of the General Bond Resolution.

"Trustee" shall mean the State Treasurer of South Carolina or any successor thereto as may be appointed in accordance with the General Bond Resolution.

"Value", which shall be determined as of the end of each month, shall mean that the value of any investments shall be calculated as follows:

(a) as to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and

(d) as to any investment not specified above: the value thereof established by prior agreement between the College and the Trustee.

Debt Service Reserve Fund

There is established under the General Bond Resolution a special fund of the College to be designated as "College of Charleston Higher Education Facilities Debt Service Reserve Fund" (the "Debt Service Reserve Fund"). The Debt Service Reserve Fund shall be kept on deposit with the Trustee, and withdrawals therefrom shall be made for the purposes provided in the General Bond Resolution.

Moneys in the Debt Service Reserve Fund shall be used for the following purposes, and for no other:

(i) To prevent a Default in the payment of the principal of or interest on any Bonds Outstanding, by reason of the fact that moneys in the Debt Service Fund are insufficient for such purposes.

(ii) To pay the principal of, interest on, and redemption premium, if any, of the Bonds in the event that all Outstanding Bonds be redeemed as a whole.

(iii) To effect partial redemption of the Bonds, provided that such redemption be undertaken in accordance with the provisions of the General Bond Resolution permitting a partial redemption of Bonds and the balance remaining in the Debt Service Reserve Fund following such partial redemption shall not be less than the Reserve Fund Requirement.

(iv) To effect the retirement of Bonds through purchase under the conditions prescribed in the General Bond Resolution.

Whenever the market value of the cash and securities in the Debt Service Reserve Fund shall exceed the Reserve Fund Requirement, such excess may be used at the direction of the Board of Trustees either (i) to repurchase and retire Bonds at prices not exceeding the call price first to become available or then prevailing or (ii) to be transferred to the Revenue Fund. Purchases of Bonds shall be effected by the College through the Trustee, and whenever Bonds shall have been purchased pursuant to this authorization, it shall be the duty of the Trustee to cancel and destroy such Bonds and to deliver certificates evidencing such act to the College.

In lieu of the deposit of moneys into the Debt Service Reserve Fund, the College may cause to be so credited a surety bond or an insurance policy payable to the Trustee for the benefit of the Holders of the Bonds or a letter of credit in an amount which together with other moneys on deposit in the Debt Service Reserve Fund are equal to the Reserve Fund Requirement on the Bonds. The surety bond, insurance policy or letter of credit shall be payable (upon the giving of notice as required thereunder) on any interest payment date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund and applied to the payment of the principal of or interest on any Bonds and such payments cannot be made by amounts credited to the Debt Service Fund. The insurer providing such surety bond or insurance policy shall be an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in the highest rating category by the Rating Agencies. The letter of credit issuer shall be a bank or trust company which is rated not lower than the second highest rating category by the Rating Agencies. The insurance policy, surety bond or letter of credit must extend for the life of the Bonds and must be unconditional and irrevocable. If a disbursement is made pursuant to a surety bond, an insurance policy or a letter of credit, the College shall be obligated either (i) to reinstate the maximum limits of such surety bond, insurance policy or letter of credit, or (ii) to deposit into the Debt Service Reserve Fund funds in the amount of the disbursement made under such surety bond, insurance policy or letter of credit, or a combination of such alternatives, as shall provide that the amount credited equals the Reserve Fund Requirement on the Bonds within a time period not longer than one (1) year from the date of withdrawal. The Trustee shall receive such opinions, including legal opinions, certificates and other documentation, as the Trustee shall request, prior to receipt of such surety bond, letter of credit or insurance policy by the Trustee.

If the issuer of a surety bond, insurance policy or letter of credit on deposit in the Debt Service Reserve Fund shall cease to have a rating described in the immediately preceding paragraph, the College shall use reasonable efforts to replace such surety bond, insurance policy or letter of credit with one of similar quality or shall deposit Revenues in the Debt Service Reserve Fund in lieu of replacing such surety bond, insurance policy or letter of credit with another.

If the College obtains a surety bond, insurance policy or letter of credit after the deposit of moneys to the Debt Service Reserve Fund, excess moneys shall be transferred to the Construction Fund, or if one does not exist, to the Revenue Fund.

Whenever the aggregate value of cash and securities in the Debt Service Reserve Fund shall be less than the Reserve Fund Requirement, there shall be deposited in the Debt Service Reserve Fund that amount which, together with equal, successive, monthly deposits in the same amount, will restore the value of cash and securities in the Debt Service Reserve Fund to the Reserve Fund Requirement during the succeeding twelve (12) months.

Events of Default

The occurrence and continuation of any of the following events is an "Event of Default" under the General Bond Resolution:

A. If payment of the principal of any Bond, whether at maturity or by proceedings for redemption, by declaration as provided in Article XI of the General Bond Resolution, or otherwise, is not made by the College after the same has become due and payable; or

B. If payment of any installment of interest on any Bond is not made by the College as the same becomes due and payable; or

C. If the College shall fail or refuse to comply with the essential provisions of the Act, or shall fail in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds or in the General Bond Resolution or in any resolution supplemental thereto on the part of the College to be performed, and such failure continues for thirty (30) days after written notice specifying such failure and requiring the same to be remedied has been given to the College by the Trustee or the Holders of not less than twenty percent (20%) in principal amount of the Bonds then Outstanding or any trustee or committee therefor; or

D. If any proceedings are instituted, with the consent or acquiescence of the College, for the purpose of effecting a composition between the College and its creditors and if the claim of such creditors is in any circumstance payable from any of the Revenues or any other moneys pledged and charged in the General Bond Resolution or any resolution supplemental thereto for the payment of the Bonds, or any such proceedings are instituted for the purpose of adjusting the claims of such creditors, pursuant to any Federal or State statute now or hereafter enacted; or

E. If an order or decree is entered (1) with the consent or acquiescence of the College, appointing a receiver or receivers of the Higher Education Facilities or any of the facilities thereof; or (2) without the consent or acquiescence of the College, appointing a receiver or receivers of the Higher Education Facilities or any of the Higher Education Facilities thereof and if, in either case, such order or decree having been entered is not vacated or discharged or stayed on appeal within sixty (60) days after the entry thereof; or

F. If, under the provisions of any law for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the Higher Education Facilities or any of the Higher Education Facilities thereof, and such custody or control is not terminated within ninety (90) days from the date of assumption of such custody or control; or

G. If the College is for any reason rendered incapable of fulfilling its obligations under the General Bond Resolution in any material respect.

Subject to the provisions, limitations and conditions of Sections 11.1 and 11.2 of the General Bond Resolution, insofar as the remedies provided in said provisions are concerned, nothing in Section 11.3 of the General Bond Resolution or in Section 10.1 thereof, shall prohibit or limit, or be construed as prohibiting or limiting any Holder of a Bond from enforcing the duties of the College, or any of the officers thereof, under any provisions of the General Bond Resolution (including, without limiting the generality of the foregoing, the duties imposed by or referred to in Section 11.3 thereof) by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction, even though the failure of the College or any of the officers thereof to perform any such duty may not then constitute an "Event of Default" as defined in the General Bond Resolution.

Remedies Upon Event of Default

Declaration of Principal and Interest as Due. Upon the occurrence of an Event of Default, and at any time thereafter while such Event of Default continues, then and in each and every case the Trustee in its own name, on behalf and for the benefit and protection of the Holders of all Outstanding Bonds, may proceed, and upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Bonds then Outstanding, shall proceed to declare the principal of all Bonds then Outstanding, together with all accrued and unpaid interest thereon, if not already due, to be due and payable immediately, and upon any such declaration the same shall become and be due and payable immediately, anything contained in the General Bond Resolution or any Supplemental Resolution hereto or in any of the Bonds to the contrary notwithstanding. This provision is also subject, however, to the condition that, if at any time after the principal of the Bonds, together with the accrued and unpaid interest thereon and other moneys secured hereby, have been so declared due and payable and before any further action has been taken (other than the making of the above declaration), the principal amount of all Bonds which have matured either according to the maturity date or dates otherwise specified therein (except as a result of such declaration) and all arrears of interest upon all Bonds, except interest accrued but not yet due on said Bonds, have been paid or caused to be paid, and all other Events of Default, if any, which have occurred have been remedied, cured or secured, then and in each and every such case the Holders of twenty-five percent (25%) in principal amount of the Bonds then Outstanding, by notice in writing delivered to the Trustee and the College, may waive such Default and its consequences and rescind and annul such declaration. No such waiver or rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power related to such subsequent Default.

Appointment of a Receiver. Upon the occurrence of an Event of Default described in paragraphs A and B of Section 10.1 of the General Bond Resolution, and at any time thereafter while such default continues, any court of competent jurisdiction may appoint a receiver; provided, however, if application is made by the Trustee or the Holders of not less than twenty-five percent (25%) in principal amount of the Bonds then Outstanding, such court shall appoint a receiver. Any receiver so appointed shall (a) enter into and upon and take possession of the Higher Education Facilities, to the exclusion of the College if such court so directs; (b) have, hold, use, operate, manage and control the Higher Education Facilities as such receiver may deem best; and (c) exercise all rights and powers of the College with respect to the Higher Education Facilities as the College itself may do. In addition, the receiver shall (a) maintain, restore and insure the Higher Education Facilities and from time to time make all necessary and proper repairs to the Higher Education Facilities as such receiver may deem expedient; (b) establish, levy, maintain and collect such fees, tolls, rentals and other charges in connection with the Higher Education Facilities as such receiver may deem necessary or proper and reasonable; and (c) collect and receive all revenues, deposit such revenues in a separate account and apply such revenues so collected and received in such manner as the court shall direct.

Notwithstanding anything contained in the General Bond Resolution or the Act, such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of whatever kind or character of the College and useful to the Higher Education Facilities.

Suits at Law or in Equity and Mandamus. In case any one or more of the Events of Default shall happen and be continuing, then and in every such case, but subject to the provisions, limitations and conditions of Sections 11.1, 11.2 and 11.5 of the General Bond Resolution so far as the remedies provided in said provisions are concerned, the Holder of any Bond at the time Outstanding, or Trustee therefor, may, for the equal benefit and protection of all Holders of the Bonds similarly situated,

(a) by mandamus or other suit, action or proceedings at law or in equity, enforce such Bondholder's right against the College and require and compel the College to perform and carry out its duties and obligations under the Act and the General Bond Resolution, and to perform and carry out its covenants and agreements with the Bondholders;

(b) by action or suit in equity require the College to account as if such College were the trustee of an express trust;

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; or

(d) bring suit upon the Bonds.

Remedies Not Exclusive; Effect of Waiver of Default; Effect of Abandonment of Proceedings or Adverse Determination. The Holders from time to time of the Bonds shall be entitled to all the remedies and benefits of the General Bond Resolution as are and as shall be provided by law, and, subject to the provisions of Sections 11.1, 11.2 and 11.5 thereof, nothing therein shall be construed to limit the rights or remedies of any such Holders under any applicable statute that may now exist or be enacted hereafter. No remedy conferred by the Act and the General Bond Resolution upon any Holder of any Bond is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by the Act and the General Bond Resolution or by any other law now or hereafter existing. Every substantive right and remedy conferred upon the Holders of the Bonds may be enforced and exercised from time to time and as often as may be deemed expedient.

No waiver of any default or breach of duty or contract by any Holder of any Bond shall extend to or affect any subsequent default or breach of duty or contract, or shall impair any rights or remedies thereon. No delay or omission of any Holder of a Bond to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.

In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, or shall be determined adversely to Holders of the Bonds then and in every such case, the College and such Holders shall be restored to their former positions and rights and remedies as if no suit, action or proceeding had been brought or taken.

Restrictions on Bondholder's Action.

1. No Holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the General Bond Resolution or for any remedy under the General Bond Resolution unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default and the Holders of at least twenty-five percent (25%) in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee and shall have offered the Trustee reasonable opportunity, either to exercise the powers granted in the General Bond Resolution or by the laws of the State or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, fees (including reasonable attorneys' fees), expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of 60 days after receipt by it of such notice, request an offer of indemnity, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by the General Bond Resolution, or to enforce any right under the General Bond Resolution, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the General Bond Resolution shall be instituted, had and maintained in the manner provided in the General Bond Resolution and for the equal benefit of all Holders of the Outstanding Bonds.

2. Nothing in the General Bond Resolution or in the Bonds contained shall affect or impair the obligation of the College, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of (and redemption premium, if any) and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

Application of Revenues and Other Moneys After Default. During the continuance of an Event of Default, all moneys received by the Trustee pursuant to any right given or action taken under the provisions of the General Bond Resolution shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and advances incurred or made by the Trustee with respect thereto, be deposited in the Debt Service Fund, and all amounts held by the Trustee thereunder shall be applied as follows:

(a) Unless the principal of all Outstanding Bonds shall have become or have been declared due and payable:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds in the order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the person entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal amounts or redemption premium, if any, of any Bonds which shall have become due (other than Bonds previously called for redemption in accordance with the provisions of the General Bond Resolution), whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the principal amounts or redemption premium, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

(b) If the principal amounts of all Outstanding Bonds shall have become or have been declared due and payable, to the payment of the principal amounts and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal amounts and interest, to the persons entitled thereto without any discrimination or preference.

(c) If the principal amounts of all Outstanding Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of the General Bond Resolution, then, subject to the provisions of paragraph (b) above in the event that the principal amounts of all Outstanding Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) above.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of the foregoing paragraphs, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Bond payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the principal amounts to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all Bonds and interest thereon have been paid under the provisions of the foregoing paragraphs and all expenses and charges of the Trustee have been paid, any balance remaining shall be paid to the person entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the College or as a court of competent jurisdiction may direct.

Defeasance

Defeasance. The obligations of the College under the General Bond Resolution and the liens, pledges, charges, trusts and the covenants and agreements of the College therein made or provided for, shall be fully discharged and satisfied as to any Bond and, unless or except as otherwise provided in the Supplemental Resolution providing for the issuance of any Series of Bonds, such Bond or Series of Bonds shall no longer be deemed to be Outstanding hereunder when:

(a) such Bond or Series of Bonds shall have been purchased by the College and surrendered to the College for cancellation or otherwise surrendered to the College or the Paying Agent, and is canceled or subject to cancellation by the College or Paying Agent, or

(b) payment of the principal of, redemption premium, if any, and interest on such Bond or Series of Bonds, either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee in trust and irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, or (2) noncallable Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Paying Agent. At such time as a Bond or Series of Bonds shall no longer be deemed to be Outstanding under the General Bond Resolution, as aforesaid, such Bond or Series of Bonds shall cease to draw interest from the due date thereof, and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of the General Bond Resolution.

Any moneys so deposited with the Paying Agent as provided in the foregoing paragraphs may at the direction of the College also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of such Paying Agent which is not required for the payment of the Bonds or Series of Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be treated as Revenues.

Notwithstanding any provision of the General Bond Resolution which may be contrary to the foregoing provisions, all moneys or Government Obligations set aside and held in trust pursuant to the foregoing provisions for the payment of Bonds or Series of Bonds shall be applied to and used solely for the payment of the particular Bonds or Series of Bonds with respect to which such moneys and Government Obligations have been so set aside in trust.

Any provision of the General Bond Resolution to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Paying Agent pursuant to the foregoing paragraphs for the payment of the Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the foregoing provisions shall be made without the consent of the Bondholder of each Bond or Series of Bonds affected thereby.

Whenever moneys or obligations shall be deposited with the Paying Agent for the payment or redemption of Bonds more than sixty days prior to the date that such Bonds are to mature or be redeemed, such deposit shall be accompanied by irrevocable instructions of the College, directing such defeasance and providing for notice thereof.

Certain Covenants

Rates and Charges. The College covenants and agrees that it shall operate the Higher Education Facilities in an efficient and economical manner and shall establish, levy, maintain, revise and collect such fees, rates and other charges for the use of the services and Higher Education Facilities furnished by the Higher Education Facilities as may be necessary or proper, which fees, rates, and other charges, together with other Revenues and other available moneys, shall for each Fiscal Year be at least sufficient after making due and reasonable allowances for contingencies and for a margin of error in estimates, to provide an amount not less than (a) the amount required to be deposited into the Operation and Maintenance Fund for the then current Fiscal Year; (b) one hundred ten percent (110%) of the amounts required to be deposited into the Debt Service Fund; (c) the amount required to be deposited into the Debt Service Reserve Fund; (d) the amount required to be deposited into the Capital Improvements Fund; and (e) the amount necessary to comply in all respects with the terms of the General Bond Resolution or any other contract or agreement with the Holder of a Bond.

To Pay Principal, Premium, and Interest on the Bonds. The College shall punctually pay, out of the Net Revenues pledged to such payment in Article VI hereof, the principal of, redemption premium, if any, and the interest on each and every Bond issued under the provisions of the General Bond Resolution, at the place, on the dates and in the manner provided herein.

Operation of Higher Education Facilities. The College shall at all times operate the Higher Education Facilities properly and in an efficient and economical manner and will maintain, preserve and keep the same with the appurtenances and every part and parcel thereof in good repair, working order and condition, and shall from time to time make all necessary and proper repairs and replacements so that at all times the operation of the Higher Education Facilities may be properly and advantageously conducted.

Records, Accounts and Audits. The College will keep proper books of records and accounts (separate from all other records and accounts), in which complete and correct entries shall be made of all transactions relating to the Higher Education Facilities. An annual report setting forth the Revenues and the Operation and Maintenance Expenses shall be provided to the Trustee within 90 days after the end of each Fiscal Year. A complete financial statement of the College shall be prepared within 180 days after the end of each Fiscal Year (or as soon thereafter as made available to the College by the State Auditor of South Carolina) and shall be prepared in accordance with generally accepted accounting principles for governmental bodies and audited by an independent certified public accountant. The College will cause to be furnished to any Holder of any of the Bonds, who makes written request therefor, a copy of such audited financial statement. Such records shall be kept in accordance with the standards from time to time prescribed by the Governmental Accounting Standards Board or its successor. The Trustee shall not be responsible for obtaining audits of the College.

Sale, Lease or Other Encumbrances. The College will not issue any bonds, notes, certificates or other obligations or evidences of indebtedness other than the Bonds or obligations authorized or permitted hereby secured by a pledge of the Revenues, and it will not create or cause to be created any lien or charge on said Revenues other than the liens and charges created or permitted to be created hereby, and no part of the Higher Education Facilities will be sold, mortgaged, leased or otherwise disposed of or encumbered; provided, however, the College may from time to time permanently abandon the use of, sell, trade or lease any property forming a part of the Higher Education Facilities, but only if there shall be filed with the Trustee prior to such abandonment, sale or lease a certificate, signed by the Chairman of the Board of Trustees and in the case of (b) below approved by the Financial Advisor, stating:

(a) that the College is not then in default in the performance of any of the covenants, conditions, agreements or provisions contained in the General Bond Resolution, and

(b) that the Net Revenues for the preceding Fiscal Year, after giving effect to such abandonment, sale or lease and any replacement and after adjustment to reflect the moneys which would have been received if the rate schedule in effect on the date of such certificate had been in effect throughout such Fiscal Year, are not less than one hundred ten percent (110%) of the Debt Service for such preceding Fiscal Year. Amounts received from any such sale or disposition shall be deposited in the Revenue Fund, to be applied as are other moneys in that fund, provided, however, the certificate referred to herein shall not be required if the Financial Advisor certifies that such property is no longer necessary or useful or profitable in the operation of the Higher Education Facilities, or necessary to produce or maintain sufficient Revenues, or which is to be or has been replaced by other property so as not to impair the operation of the Higher Education Facilities.

Insurance. The College shall make provision to maintain adequate insurance on the properties comprising the Higher Education Facilities against the risks, accidents or casualties, of the kinds and in at least the amounts which are usually and customarily carried on similar properties which are owned and operated by a public or municipal corporation, including without limiting the generality of the foregoing: flood, earthquake, fire, extended coverage, general liability and workmen's compensation, and also all additional insurance covering such risks as may be deemed necessary or desirable by the College or recommended by a competent independent engineer or other advisor employed for the purpose of making such recommendations. The Trustee shall not be responsible for maintaining such insurance policies or copies thereof.

Annual Budget. Prior to the beginning of each Fiscal Year, the College shall prepare an annual budget for the ensuing Fiscal Year which shall set forth in reasonable detail the estimated Revenues and Operation and Maintenance Expenses, payments to the Capital Improvements Fund and other expenditures of the Higher Education Facilities for such Fiscal Year. Following the end of each fiscal quarter and at such other times as the Board of Trustees shall determine, the Board of Trustees shall review its estimates set forth in the annual budget for such Fiscal Year, and in the event such estimates do not substantially correspond with actual Revenues, operation and maintenance expenses or other requirements, or if there are at any time during any such Fiscal Year extraordinary receipts or payments of unusual costs, the Board of Trustees shall prepare an amended annual budget for the remainder of such Fiscal Year. The Board of Trustees also may at any time adopt an amended annual budget for the remainder of the then current Fiscal Year.

Compliance with Federal Tax Law. The College covenants to comply with all provisions of the Internal Revenue Code of 1986, as amended, as shall be necessary to assure the continued exclusion from gross income, for purposes of federal income taxation, of interest on the Bonds.

Amendments or Supplements to the General Bond Resolution

Amendments or Supplements to the General Bond Resolution. The College shall not amend the General Bond Resolution except in accordance with the provisions of the General Bond Resolution.

A. The College may, from time to time and without the consent of any Holder of the Bonds, enact a resolution amendatory of the General Bond Resolution or supplemental thereto (1) for the purpose of providing for the issuance of Bonds pursuant to the provisions of Article III thereof, or (2) (a) making any amendments or modifications thereto which may be required to permit the General Bond Resolution to be qualified under the Trust Indenture Act of 1939, as amended; (b) making any modification or amendment to the General Bond Resolution not inconsistent therewith required for the correction of language or to cure any ambiguity or defective provisions, omission, mistake or manifest error therein contained; (c) making any amendments or supplements thereto to grant to or confer upon the Bondholders additional rights, remedies, power and authority, or to grant to or confer upon any Bondholders committee or trustee for the Bondholders any additional rights, power or authority; or (d) adding to the security of the Holders of the Bonds.

B. From time to time the Holders of sixty-six and two-thirds percent (66-2/3%) in principal amount of the Bonds then Outstanding, by an instrument or instruments in writing signed by such Holders and filed with the College and the Trustee, shall have power to assent to and authorize any modification or amendment to the provisions of the General Bond Resolution that may be proposed by the College or of the rights and obligations of the College and of the Holders of Bonds issued hereunder; and any action therein authorized to be taken with the assent and authority given as aforesaid of the Holders of sixty-six and two-thirds percent (66-2/3%) in principal amount of the Bonds at the time Outstanding shall be effective and binding upon all of the Holders of Bonds issued thereunder; and any action therein authorized to be taken with the assent and authority given as aforesaid of the Holders of sixty-six and two-thirds percent (66-2/3%) in principal amount of the Bonds at the time Outstanding shall be effective and binding upon all of the Holders of Bonds Outstanding and upon the College as fully as though such action were specifically and expressly authorized by the terms of the General Bond Resolution; provided always, that without the consent of the Holder of each Bond affected thereby, no such modification shall be made which will (1) extend the time of payment of principal of or the interest on any Bond, or reduce the principal amount thereof or the rate of interest thereon or the premium payable upon the redemption thereof, or (2) give to any Bond or Bonds any preference over any other Bond or Bonds, or (3) authorize the creation of any pledge prior to or, except as provided therein for the issuance of a Series of Bonds, on a parity with the pledge afforded by the General Bond Resolution, or (4) reduce the percentage in principal amount of the Bonds required to assent to or authorize any such modification to the General Bond Resolution. For the purpose of computations required by this paragraph, Bonds directly or indirectly owned or controlled by the College shall be disregarded.

Any modification or amendment or supplement to the provisions of the General Bond Resolution or of any Supplemental Resolution supplemental thereto shall be set forth in a resolution to be enacted by the Board of Trustees.

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APPENDIX D

DTC AND BOOK-ENTRY ONLY SYSTEM

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THE FOLLOWING INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY ("DTC") AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COLLEGE OF CHARLESTON (THE "COLLEGE") BELIEVES TO BE RELIABLE, BUT THE COLLEGE TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Academic and Administrative Facilities Revenue Bonds, Series 2021B (the "Series 2021B Bonds") of the College. The Series 2021B Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond will be issued for each maturity of the Series 2021B Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such maturity.

DTC, the world's largest securities depository, is a limited-purpose trust company organised under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerised book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organisations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2021B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2021B Bonds, except in the event that use of the book-entry system for the Series 2021B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorised representative of DTC. The deposit of Series 2021B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of Series 2021B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021B Bonds, such as redemptions, tenders, defaults, and proposed amendments to any of the resolutions under which any Series 2021B Bonds is issued. For example, the Beneficial Owners of Series 2021B Bonds may wish to ascertain that the nominee holding the Series 2021B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021B Bonds of a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021B Bonds unless authorised by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the College as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2021B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption payments and principal and interest payments on the Series 2021B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the College or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the College, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption payments and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorised representative of DTC) is the responsibility of the College or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to any Series 2021B Bonds at any time by giving reasonable notice to the College and the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The College may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

NEITHER THE COLLEGE NOR THE PAYING AGENT IS RESPONSIBLE OR LIABLE FOR THE FAILURE OF ANY DIRECT PARTICIPANTS OR ANY INDIRECT PARTICIPANTS TO MAKE ANY PAYMENT OR GIVE ANY NOTICE TO A BENEFICIAL OWNER WITH RESPECT TO THE SERIES 2021B BONDS OR ANY ERROR OR DELAY RELATING THERETO.

Neither the College nor the Paying Agent gives any assurances that DTC, DTC Participants, or Indirect Participants will distribute to the Beneficial Owners of the Series 2021B Bonds (i) payments of principal, premium, if any, and interest, with respect to the Series 2021B Bonds, (ii) confirmation of beneficial ownership interests in the Series 2021B Bonds, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as registered owner of the Series 2021B Bonds, or that they will do so on a timely basis, or that DTC, DTC Participants, or Indirect Participants will serve or act in the manner described in this Official Statement.

All capitalized terms not otherwise defined in this Appendix shall have the meaning ascribed to such term in this Official Statement.

APPENDIX E

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this "Disclosure Undertaking") is executed and delivered this [___] day of [________], 2021, by the College of Charleston (the "Issuer") in connection with the issuance of the Issuer's $[__________] Academic and Administrative Facilities Revenue Bonds, Series 2021B (the "Series 2021B Bonds"). The Series 2021B Bonds are being issued pursuant to a General Bond Resolution (the "General Bond Resolution") adopted on April 16, 2002, by the Board of Trustees (the "Board of Trustees") of the College, the Series 2021B Bond Resolution (the "Series 2021B Bond Resolution") approved as to form by the Board of Trustees in a Resolution adopted on April 12, 2019, and to be approved in final form under authorization granted by the Board of Trustees to the Executive Vice President for Business Affairs effective [________ __], 2021 (the "Series 2021B Resolution" and, together with the General Bond Resolution, as amended and supplemented, the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Issuer for the benefit of the holders and Beneficial Owners of the Series 2021B Bonds and in order to assist the Participating Underwriters in complying with the U.S. Securities and Exchange Commission (the "SEC") Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolution or elsewhere in this Disclosure Undertaking, which apply to any capitalized terms used in this Disclosure Undertaking, the following capitalized terms shall have the following meanings:

"Annual Report" means the annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

"Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2021B Bonds (including persons holding Series 2021B Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2021B Bonds for federal income tax purposes.

"Dissemination Agent" means any person designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system described in SEC Release No. 34-59062 (or any successor electronic information system) and maintained by MSRB as the sole repository for the central filing of electronic disclosure pursuant to the Rule.

"Financial Obligation" as used in this Disclosure Undertaking is defined in the Rule, as may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" means any of the events listed in Section 5(a) of this Disclosure Undertaking.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Unless otherwise designated by MSRB or the SEC, filings with the MSRB are to be made through EMMA.

"Official Statement" means the Official Statement dated [________ __], 2021, prepared in connection with the Series 2021B Bonds.

"Participating Underwriter" means any of the original underwriters of the Series 2021B Bonds required to comply with the Rule in connection with the offering of the Series 2021B Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" means the State of South Carolina.

Section 3. Provision of Annual Reports. (a) The Issuer shall, not later than January 31 of each year, commencing with the report for the fiscal year ended June 30, 2021, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than 15 business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent, if other than the Issuer. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Undertaking; provided, however, that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report, and later than the date required for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a) hereof.

(b) The Annual Report shall be submitted to the MSRB either through a web-based electronic submission interface or through electronic computer-to-computer data connections with EMMA in accordance with the submission process, document format and configuration requirements established by the MSRB. The Annual Report shall also include all related information required by the MSRB to accurately identify: (i) the category of information being provided; (ii) the period covered by the Annual Report; (iii) the issues or specific securities to which the Annual Report is related (including CUSIP number, Issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (iv) the name of any obligated person other than the Issuer; (v) the name and date of the document; and (vi) contact information for the Dissemination Agent or the Issuer's submitter.

(c) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a) above, the Issuer shall, in a timely manner, send or cause to be sent to the MSRB, a notice in substantially the form attached hereto as Exhibit A.

(d) In the event that there is a Dissemination Agent, then not later than fifteen (15) business days prior to each due date, the Issuer shall provide the Annual Report to the Dissemination Agent for distribution to the MSRB. In connection with this distribution of the Annual Report, the Dissemination Agent, if any, shall file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, and stating the date it was provided to the MSRB.

Section 4. Contents of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The Issuer's complete audited financial statements for the preceding fiscal year prepared in accordance with accounting principles generally accepted within the United States of America as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be provided to the MSRB in the same manner as the Annual Report when they become available;

(b) In addition, the Annual Report shall contain or incorporate by reference updates of the information set forth under the following headings in the Official Statement: the financial information and operating data as of a date not earlier than the end of the preceding fiscal year for the type of information included under the headings (i) THE HIGHER EDUCATION FACILITIES and (ii) THE COLLEGE.

The Annual Report may consist of one or more documents. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer, which have been made available to the public on EMMA. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events. (a) The Issuer shall give or cause to be given notice of the occurrence of any of the following events with respect to the Series 2021B Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Series 2021B Bonds, or other material events affecting the tax status of the Series 2021B Bonds;

(vii) modifications to rights of security holders, if material;

(viii) Bond calls, if material and tender offers;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Series 2021B Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of any obligated person, which event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person;

(xiii) the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) appointment of a successor or additional trustee or the change of name of trustee, if material;

(xv) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the obligated person, any of which reflect financial difficulties.

Section 6. Format for Filing With the MSRB. All documents provided to the MSRB pursuant to this Disclosure Undertaking shall be submitted in electronic format and shall identify the Series 2021B Bonds by name and CUSIP number or shall be accompanied by such identifying information as described from time to time by the MSRB.

Section 7. Termination of Reporting Obligation. This Disclosure Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Series 2021A Bonds shall have been paid in full or the Series 2021B Bonds shall have otherwise been paid or legally defeased; provided, however, that if the Rule (or any successor provision) shall be amended, modified, or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder; and provided further that if and to the extent the Rule (or any successor provision), or any provision thereof, shall be declared by a court of competent and final jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void, or otherwise inapplicable to the Series 2021B Bonds, then the information required to be provided hereunder, insofar as it was required to be provided by a provision of the Rule so declared, shall no longer be required to be provided hereunder. Upon any legal defeasance, the Issuer shall electronically file notice of such defeasance with the MSRB, and such notice shall state whether the Series 2021B Bonds have been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist in its carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Undertaking.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a) hereof, it may only be made in connection with a change in circumstances that arises from a change in legal requirements or change in law, or change in the identity, nature or status of an obligated person with respect to the Series 2021B Bonds, or the type of business conducted;

(b) This Disclosure Undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2021B Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Series 2021B Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given by filing with the MSRB and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure

Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Undertaking, any holder or Beneficial Owner of the Series 2021B Bonds may take such actions as may be necessary and appropriate, including seeking *mandamus* or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Undertaking; provided, however, that any such action may be instituted only in the federal or State courts located in Columbia, South Carolina. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and in any separate written agreement between the Issuer and the Dissemination Agent.

Section 13. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Series 2021B Bonds, and shall create no rights in any other person or entity. This Disclosure Undertaking is not intended to create any monetary rights on behalf of any person.

COLLEGE OF CHARLESTON

By: ______________________________
Its: ______________________________

EXHIBIT A

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT

Issuer: College of Charleston

Obligations: $[__________] Academic and Administrative Facilities Revenue Bonds, Series 2021B

Date of Issuance: [________ __], 2021

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Series 2021B Bonds as required by the Resolution adopted on ______ __, 2021. The Issuer anticipates that the Annual Report will be filed by____________________.

COLLEGE OF CHARLESTON

By: ____________________________
Its: ____________________________

Date: _________, ______

COLLEGE of CHARLESTON

COLLEGE OF CHARLESTON, SOUTH CAROLINA • ACADEMIC AND ADMINISTRATIVE FACILITIES REVENUE BONDS SERIES 2021B

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Product group from well managed forests, controlled sources and recycled wood or fiber.

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