

A. APPLICANT INFORMATION

Applicant: _____

Address: _____

DUNS #: _____

Contact: _____ Title: _____

Phone #: _____ Fax #: _____

Email: _____

Applicant Type: ☐ Local Government
☐ Special Purpose District
☐ Public Works Commission
☐ Joint Municipal System
☐ Applicant is submitting on behalf of a not for-profit water/sewer/broadband company or other eligible entity (provide name)
Name: _____

Please list below the information for any partner organizations that will be involved in the implementation of this grant.

Firm/Organization Name: _____

Contact Person: _____ Title: _____

Phone #: _____ Fax #: _____

Email: _____

Firm/Organization Name: _____

Contact Person: _____ Title: _____

Phone #: _____ Fax #: _____

Email: _____

B. GENERAL INFORMATION

1. Project Name and Location:

Name: _____

Location: _____

2. Infrastructure project type (please select category and subcategory)

☐ Water

☐ Energy conservation

☐ Water conservation

☐ Non-point source

☐ Treatment

☐ Transmission and distribution

☐ Transmission and distribution: Lead remediation

☐ Drinking water source

☐ Drinking water storage

☐ Other water infrastructure (Please specify, _____)

☐ Sewer

☐ Centralized wastewater treatment

☐ Centralized wastewater collection & conveyance

☐ Decentralized wastewater

☐ Combined sewer overflows

☐ Other sewer infrastructure (Please specify, _____)

☐ Broadband

☐ Broadband infrastructure (Please specify, _____)

3. Has the applicant applied for Federal funds (FEMA, CDBG, etc.) for this specific project or project phase before?

☐ Yes

☐ No

a. If so, please list dates and amounts.

<i>Date</i>	<i>Amount Requested</i>

4. If this is a phased project, please list prior phases and funding amounts received.

<i>Project Phase</i>	<i>Date</i>	<i>Funding</i>	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<i>Amount Received:</i>
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<i>Amount Received:</i>
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<i>Amount Received:</i>

5. Exhibit A – Project Implementation Schedule – A list of required exhibits is provided at the end of this document. For Exhibit A, please provide a detailed schedule for project implementation. All projects must have 50% of the construction completed by June 30,2023.

C. Organizational Capacity and Experience

C-1. Please describe your organization's history, mission, year established, and services provided.

--

C-2. Who will be the person responsible for the overall oversight of the proposed project? Please describe their experience with the project and length of service in their position. Additionally, please describe their experience managing grants.

C-3. Who will be the person(s) responsible for the day-to-day operations and management of the proposed project? Please provide no more than two individuals. Please describe their experience with the project and length of service in their position. Additionally, please describe their experience managing grants.

C-4. Please describe your organization's experience and major accomplishments in providing services to LMI residents and/or communities.

<i>C-5. Please describe your organization's overall experience managing grants.</i>		
<i>C-6. Has your organization carried out or attempted this project before, with or without grant funds? If yes, what were the results?</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

D. APPLICANT RISK ASSESSMENT

Note: All applicants must complete this risk assessment. Please answer all questions. Failure to complete this risk assessment will result in your program not being funded.

MANAGEMENT SYSTEMS		
D-1. Has your organization had any changes to key staff or positions in the past 12 months? If yes, explain.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D-2. Has your organization had any changes to business systems in the past 12 months? If yes, please explain.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D-3. Does your organization have policies and procedures for the following items?		
Procurement	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Drug Free Workplace	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Conflicts of Interest	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Financial Management	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Property/Equipment Management and Disposition	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Retention of Records	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Civil Rights	<input type="checkbox"/> Yes	<input type="checkbox"/> No

AUDIT REPORTS AND MONITORING			
D-4. Did your organization expend \$750,000 or more in Federal grant funds in the previous fiscal year?			<input type="checkbox"/> Yes <input type="checkbox"/> No
D-5. Has your organization had a Single Audit or other financial audit in the last 12 months? If so, please attach the full audit report, including corrective actions as applicable.			<input type="checkbox"/> Yes <input type="checkbox"/> No
D-6. Has your organization had any monitoring visits by a funding agency within the last 12 months? If yes, please complete the table below indicating the results of the monitoring activity.			<input type="checkbox"/> Yes <input type="checkbox"/> No
Awarding Entity	Result (Finding(s) - Yes/No)	Corrective Action Plan Required?	Status (Open or Closed)
FINANCIAL STABILITY			
D-7. Does your organization have an accounting system in place to segregate expenditures by funding source?			<input type="checkbox"/> Yes <input type="checkbox"/> No
D-8. Does the accounting system produce a budget vs. expenditures report?			<input type="checkbox"/> Yes <input type="checkbox"/> No
D-9. Does your organization maintain central files for grants, loans, or other types of financial assistance?			<input type="checkbox"/> Yes <input type="checkbox"/> No
D-10. Does your organization have a time and effort system that:			
a) records all time worked, including time not charged to awards?			<input type="checkbox"/> Yes <input type="checkbox"/> No
b) records employee time specifically by cost objective/activity?			<input type="checkbox"/> Yes <input type="checkbox"/> No
c) is signed off by the employee and a supervisor?			<input type="checkbox"/> Yes <input type="checkbox"/> No
d) complies with the established accounting policies and practices of the organization?			<input type="checkbox"/> Yes <input type="checkbox"/> No
D-11. Does your organization allocate expenses, either directly or indirectly by means of a cost allocation plan?			<input type="checkbox"/> Yes <input type="checkbox"/> No

D-12. Does your organization have a Negotiated Indirect Cost Rate? If yes, and if indirect costs will be applied to this grant, please attach a copy of your indirect cost rate agreement.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
--	------------------------------	-----------------------------

PERFORMANCE HISTORY		
D-13. Is your organization currently debarred or suspended?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

D-14. Has your agency received other federal funds in any of the past four fiscal years? If yes, what was the project, timeframe, funding source, and funding amount?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
---	------------------------------	-----------------------------

--

D-15. Has your organization been defunded or had a reduction in a grant, loan, or other type of financial assistance in the past 12 months? If yes, please explain.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
---	------------------------------	-----------------------------

--

E. PROJECT BENEFICIARIES

Infrastructure projects MUST consist of water, sewer, or broadband improvements. All projects MUST principally benefit low and moderate-income persons.

Service Area

Include a street map showing the location of the project and the area of primary benefit (service area).

Project Benefit

Total Customers/Taps (existing and new) to be served by the project:

Residential _____ Business _____

Benefits to Low and Moderate-Income (LMI) Persons

Benefits will be available to *all residents in a particular area* where a majority of the residents are low and moderate-income persons (LMI) (check the statement that applies - check only one):

- ☐ The area is _____ Census Tract(s), _____ Block Group(s) that is _____ **Percent LMI (minimum 51%);** OR
- ☐ Benefits a low to moderate income service area, as evidenced through surveying

Note:

The requested LMI information can be found via the following link, through which applicants can search by address:

<https://hud.maps.arcgis.com/home/item.html?id=ffd0597e8af24f88b501b7e7f326bedd>

Urgent Need

- ☐ Project addresses a critical public health need. Please describe below.

COVID-19 impacts

Describe how the community to be served by this project has suffered disproportionate negative impacts due to the COVID-19 pandemic.

F. PROJECT COSTS

Provide the financial data requested below. Costs should be based on the best information available. More exact figures will be requested, if needed. When preparing this data, consider the following:

- A project should be completed in one phase if feasible;
- Cost estimates must be as detailed as possible; and
- A project timeline

1. Total Project Costs: (Note: a + b must = c)

- a. Amount of ARP Funds Requested:
- b. Amount of Non-ARP Funds (Match):
- c. Total Project Cost:

2. Breakdown of Non-ARP Funds (Match):

Fund Type	Fund Name	Amount

Exhibit B – Letters of Commitment - Letters of commitment for any matching funds contributed to the project should be included as Exhibit H.

Project Budget:

Exhibit C – Project budget - Provide a project budget including a detailed line-item construction estimate.

- a. It is recommended that a copy of the preliminary plans and specifications be submitted with the Construction Cost Estimate.*
- b. Construction Estimate (prepared within last 12 months):*
- c. Source of Estimate: ex: Engineering Firm*
- d. Date of Estimate:*

G. PROJECT NARRATIVE AND OBJECTIVES

Please include a narrative on separate pages as Exhibit D
(not to exceed 5 pages, single spaced, exclusive of exhibits).

1. Definition of the Problem and Need:

- a. Explain the need for this project including summary of current condition, capacity, and deficiencies of existing systems. Provide detailed specific information on the urgency and severity of the need for this project such as health and safety problems, substandard conditions, public facility problems, lack of essential services, etc.*
- b. Explain why the proposed project cannot be undertaken without ARP funds.*

2. Project Description

- a. Scope of Work – Include a description of the specific project activities that will be undertaken.*
- b. Service Area - Include the exact street location, the geographical boundaries, characteristics and nature of the neighborhood/community of the project.*

c. Exhibit E – Location/Service Area Maps - Provide maps showing the location of the project and boundaries of the service area.

d. Exhibit F – Project Team - Provide a list of any and all partners whose participation in project implementation is required for successful project completion. Specify the role(s) of each partner in project implementation. Commitment letters and budgets (if required) for all

partners and subrecipients participating in the project must be included as Exhibit F.

e. Feasibility – Identify how the project will solve the problem or improve conditions. If the project does not completely solve a systemic or area-wide problem, indicate plans and proposed funding for the remaining need and timeframe. Address the proposed project schedule and any anticipated or potential delays. Provide a plan for project sustainability, including the applicant’s ability to operate and maintain system improvements.

f. Evaluation – Provide a plan to measure the success of the project and service provided to local clientele.

H. ENGINEERING REQUIREMENTS

- 1. List all applicable federal, state, and local permits or approvals required for this project and list the current status of each permit or approval in the space provided.*

Permit or Approval Required	Application Date	Status

- 2. List all applicable federal, state, and local permits or approvals required for this project and list the current status of each permit or approval in the space provided.*

Permit or Approval Required	Application Date	Status

- 3. If the need for permits or approvals has not been identified and/or if the application submission process for permits has not been started, please explain why not. If application for permits has not begun, provide a schedule for application.*

I. BUDGET

1. *Provide a Budget Summary to include:*

- a. Annual Budget*
- b. Capital Improvements Budget*
- c. Anticipated Operating Reserve*

2. Exhibit G – Current Year Budget - All applicants must submit a current-year budget.

3. Exhibit H – Most Recent Audited Financial Statements - All applicants must submit a copy of their most recent audited financial statements

J. APPLICANT CERTIFICATION

THE APPLICANT CERTIFIES THAT:

To the best of its knowledge and belief, the data and statements presented in this application are true and correct; the governing body of the applicant has duly authorized the document; and the applicant will comply with the certifications listed above if the application is approved.

Certifying Representative

Name: _____

Title: _____

Signature: Matthew P. Vandyke

Date: _____

List of Exhibits

EXHIBIT A - PROJECT IMPLEMENTATION SCHEDULE

	<u>Task/Activity</u>	<u>Completion Date</u>
1.	Submit Preliminary Plans and Specs	
2.	Publish Notice to Bidders	
3.	Public Bid Opening	
4.	Award Construction Contract	
5.	Preconstruction Meeting	
6.	Issue Notice to Proceed	
7.	Start Construction	
8.	Project Construction Must be 50% Completed	June 30, 2023
9.	Project Construction Must Be 100% Completed	December 31, 2024
10.	Complete "Punch List" Items	
11.	Submit Final Change Order and Final Invoice	
12.	Execute Certificate of Acceptance for Project	



PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

Infrastructure Grant - Broadband

Applicant: Presbyterian College

Project: Presbyterian College Wireless & Broadband Fiber Upgrade

EXHIBIT B – FUNDING COMMITMENT

This letter confirms that Presbyterian College will provide a match of \$300,000 for the Wireless portion of the project and up to \$700,000 for the Broadband Fiber component for a total of \$1,000,000 toward the \$1,601,654 project. These funds will be made available from the Physical Plant line item in the College's annual budget. The project will be scheduled for completion by Dec. 31, 2024.

Respectfully submitted,

Jeff Scaccia, CPA

Vice President for Finance & Administration



PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

Infrastructure Grant - Broadband

Applicant: Presbyterian College

Project: Presbyterian College Wireless & Broadband Fiber Upgrade

EXHIBIT C – COST ESTIMATE

A. Wireless – Estimate dated 3/18/22 from DATAVALET

- \$648,410 total

B. Broadband Fiber – Estimate dated 1/15/2021 from AJT Technology Solutions

- \$953,244 total

PRICING
FOR
PRESBYTERIAN COLLEGE
3/18/2022

1 FEES

1.1 One Time Fees

1.1.1 Project Total (does not include optional services)

Description	Fee (USD)
<ul style="list-style-type: none"> • Wi-Fi Refresh • Plaza Outdoor Wi-Fi • Neville Hall and Student Center Outdoor Wi-Fi • Switching • ClearPass Engineering and Training 	
Total	\$648,410

1.1.1.1 Wi-Fi Refresh

Description	Fee (USD)
<ul style="list-style-type: none"> • Aruba Access Points, software and support as per Schedule C 	
<ul style="list-style-type: none"> • Setup and configuration of Airwave Management Platform • Solution configuration, integration, and onboarding • Project Management • Onsite cabling and installation of the Access Points • Project Hand-Off Documentation • Datavalet Airwave Training 	
Total	\$497,987

1.1.1.2 Plaza Outdoor Wi-Fi

Description	Fee (USD)
<ul style="list-style-type: none"> • Aruba Access Points, software, and support as per Schedule C 	
<ul style="list-style-type: none"> • Solution configuration, integration, and onboarding • Project Management • Onsite cabling and installation of the Access Points • Project Hand-Off Documentation 	
Total	\$42,846

1.1.1.3 Outdoor Wi-Fi Neville Hall and Student Center

Description	Fee (USD)
<ul style="list-style-type: none"> Aruba Access Points, software, and support 	
<ul style="list-style-type: none"> Solution configuration, integration, and onboarding Project Management Onsite cabling and installation of the Access Points Project Hand-Off Documentation 	
Total	\$16,836

1.1.1.4 Switching

Description	Fee (USD)
<ul style="list-style-type: none"> Aruba switches, software, and support 	
<ul style="list-style-type: none"> Solution configuration and integration support Onboarding of the new and existing Aruba switches onto Airwave Management Platform Project Management Project Hand-Off Documentation 	
Total	\$85,341

1.1.1.5 ClearPass Engineering and Training

Description	Fee (USD)
<ul style="list-style-type: none"> Solution configuration and integration Project Management Project Hand-Off Documentation Datavalet ClearPass Training 	
Total	\$5,400

1.2 Optional - UXIQ Sensors (5 units)

Description	Fee (USD)
<ul style="list-style-type: none"> Procurement of the UXIQ Sensors Configuration and Setup of the UXIQ Sensors User Training 	

Total	\$4,580
--------------	----------------

1.3 **Optional - Consulting Services Options**

Description	Fee (USD)
Professional Consulting Services – block of 100 hours	\$11,500
Professional Consulting Services – block of 25 hours	\$3,125
Professional Consulting Services - hourly rate (minimum billing of 4 hours)	\$150

1.4 **Additional Rates**

Description	Price
Out of Scope Professional Services per hour – Business Hours*	\$150

BILL OF MATERIALS

1 WI-FI REFRESH			
Product Name	Manufacturer	Description	Quantity
AP-MNT-MP10-B	Hewlett Packard	AP-MNT-MP10-B AP mount bracket 10-pack Type B. Suspended ceiling rail, flat 15/16	40
AP-MNT-MP10-E	Hewlett Packard	AP-MNT-MP10-E AP mount bracket 10-pack Type E. Wall Box	8
60W Indoor Midspan Injector	Hewlett Packard	AP-POE-BTSR 1-Port Smart Rate 802.3bt 60W Indoor Midspan Injector	9
AP-MNT-MP10-D	Hewlett Packard	AP-MNT-MP10-D AP mount bracket 10-pack Type D. Solid Surface	35
AP-270-MNT-V1 Long Mount	Hewlett Packard	Aruba 270 Series Outdoor AP Long Mount Kit. Pole/Wall Mount for AP-270. Positions AP 300 mm from vertical mounting asset.	3
Aruba PoE Injector 30 W Midspan	Hewlett Packard	Aruba PoE Injector - 1 Ethernet Input Port(s) - 1 PoE Output Port(s) - 30 W MIDSPAN PL-VL	4
AP-500H-MNT1 Kit with Single-gang Wall-box Mount Adapter	Hewlett Packard	AP-500H-MNT1 Kit with Single-gang Wall-box Mount Adapter for 500H Series AP. For wall and (wiring) wall-box Fits both models.	31
AP-270-MNT-H3 Mount Kit	Hewlett Packard	AP-270-MNT-H3 AP-270 Series Outdoor AP Hanging or Dual-Tilt Install Mount Kit	33
AP-535 (US)	Hewlett Packard	AP-535 IEEE 802.11ac 3.55 Gbit/s Wireless Access Point /2.40 GHz, 5 GHz - MIMO Technology - 2 x Network (RJ-45)	11
Aruba AP-503H (US)	Hewlett Packard	Aruba AP-503H (US) Dual-radio 802.11ax 2x2 Unified Hospitality AP with 1+2 Ethernet	35
AP-515 (US) UNIFIED AP	Hewlett Packard	Aruba AP-515 (US) Dual Radio 4x4:4 + 2x2:2 802.11ax Internal Antennas Unified Campus AP	321
AP-505 (US)	Hewlett Packard	AP-505 DUAL Radio 2x2:2 802.11ax Internal Antennas Unified Campus AP	409
Aruba AP-577 (US) Outdoor Wireless Access Point	Hewlett Packard	Aruba AP-577 (US) 802.11ax 2x2:2/4x4:4 Dual Radio Integrated Directional Antenna Outdoor AP	29
AP-575	Hewlett Packard	Aruba AP-575 (US) 802.11ax 2x2:2/4x4:4 Dual Radio Integrated Omni Antenna Outdoor AP	4

Aruba AP-567 (US) Outdoor Access Point	Hewlett Packard	Aruba AP-567 (US) 802.11ax Dual 2x2:2 Radio Integrated Directional Antenna Outdoor AP	4
LIC-AW	Hewlett Packard	Aruba AirWave with RAPIDS and VisualRF - License - 1 Device	810
ARUBA 5Y FC 24X7 ED/R AW 1 DEV E-LTU SVC	Hewlett Packard	Aruba 5 Year Foundation Care 24x7 Education/Retail Airwave 1 Dev E-LTU Service	810
ARUBA 5YR FC CARE NBD SVCS EXCH EDU/R AP-575 SVC	Hewlett Packard	ARUBA 5YR FOUNDATION CARE NBD SVCS EXCH EDU/R AP-575 SVC PL-LS	4
Aruba 5Y FC NBD EDU Exch AP-567 SVC	Hewlett Packard	Aruba 5 Year Foundation Care Next business day Exchange Education/Retail AP-567 Outdoor Service	4
Aruba 5YR FC NBD EDU AP-577 Service	Hewlett Packard	Aruba 5 Year Foundation Care Next business day Exchange Education/Retail AP-577 Service	29
Aruba 5YR FC NBD EDU AP-505 Service	Hewlett Packard	Aruba 5 Year Foundation Care Next Business Day Exchange Education/Retail AP-505	409
Aruba 5YR FC NBD EDU AP-515 Service	Hewlett Packard	Aruba 5 Year Foundation Care Next business day Exchange Education/Retail AP-515 Service	321
Aruba 5YR FC NBD EDU AP-503H Service	Hewlett Packard	Aruba 5 Year Foundation Care Next business day Exchange Education/Retail AP-503H Unified Service	35
Aruba 5YR FC NBD EDU AP-535 Service	Hewlett Packard	Aruba 5 Year Foundation Care Next business day Exchange Education/Retail AP 535 Service	11
Patch Cord 5ft – Orange		Patch Cord 5ft - Orange	200
PoE Surge Suppressor	Terrawave	1 port Gigabit PoE Surge Protector	13

Proposed number of Access Points includes the following spare devices:

Item	Quantity
AP-505	3
AP-515	3
AP-535	1
AP-577	1
AP-567	1
AP-505H	4

2 PLAZA OUTDOOR WI-FI

Product Name	Manufacturer	Description	Quantity
Aruba PoE Injector 30 W Midspan	Hewlett Packard	Aruba PoE Injector - 1 Ethernet Input Port(s) - 1 PoE Output Port(s) - 30 W MIDSPAN PL-VL	28
AP-270-MNT-H3 Mount Kit	Hewlett Packard	AP-270-MNT-H3 AP-270 Series Outdoor AP Hanging or Dual-Tilt Install Mount Kit	28
Aruba AP-567 (US) Outdoor Access Point	Hewlett Packard	Aruba AP-567 (US) 802.11ax Dual 2x2:2 Radio Integrated Directional Antenna Outdoor AP	29
LIC-AW	Hewlett Packard	Aruba AirWave with RAPIDS and VisualRF - License - 1 Device	28
ARUBA 5Y FC 24X7 ED/R AW 1 DEV E-LTU SVC	Hewlett Packard	Aruba 5 Year Foundation Care 24x7 Education/Retail Airwave 1 Dev E-LTU Service	28
Aruba 5Y FC NBD EDU Exch AP-567 SVC	Hewlett Packard	Aruba 5 Year Foundation Care Next business day Exchange Education/Retail AP-567 Outdoor Service	29
Patch Cord 5ft – Orange		Patch Cord 5ft - Orange	84
PoE Surge Suppressor	Terrawave	1 port Gigabit PoE Surge Protector	28

3 SWITCHING

Product Name	Manufacturer	Description	Quantity
Aruba 6200F 48G Class4 PoE 4SFP+ 370W Switch	Hewlett Packard	Aruba 6200F 48G Class4 PoE 4SFP+ 370W Switch	40
Aruba 1G SFP LC SX 500m MMF Transceiver	Hewlett Packard	Aruba 1G SFP LC SX 500m MMF Transceiver	20
LIC-AW	Hewlett Packard	Aruba AirWave with RAPIDS and VisualRF - License - 1 Device	40
ARUBA 5Y FC 24X7 ED/R AW 1 DEV E-LTU SVC	Hewlett Packard	Aruba 5 Year Foundation Care 24x7 Education/Retail Airwave 1 Dev E-	40

4 NEVILLE HALL AND STUDENT CENTER

Product Name	Manufacturer	Description	Quantity
Aruba PoE Injector 30 W Midspan	Hewlett Packard	Aruba PoE Injector - 1 Ethernet Input Port(s) - 1 PoE Output Port(s) - 30 W MIDSPAN PL-VL	8
AP-270-MNT-H3 Mount Kit	Hewlett Packard	AP-270-MNT-H3 AP-270 Series Outdoor AP Hanging or Dual-Tilt Install Mount Kit	8
Aruba AP-567 (US) Outdoor Access Point	Hewlett Packard	Aruba AP-567 (US) 802.11ax Dual 2x2:2 Radio Integrated Directional Antenna Outdoor AP	8
LIC-AW	Hewlett Packard	Aruba AirWave with RAPIDS and VisualRF - License - 1 Device	8
ARUBA 5Y FC 24X7 ED/R AW 1 DEV E-LTU SVC	Hewlett Packard	Aruba 5 Year Foundation Care 24x7 Education/Retail Airwave 1 Dev E-LTU Service	8
Aruba 5Y FC NBD EDU Exch AP-567 SVC	Hewlett Packard	Aruba 5 Year Foundation Care Next business day Exchange Education/Retail AP-567 Outdoor Service	8
Patch Cord 5ft - Orange	Snap AV	Patch Cord 5ft - Orange	8
Patch Cord 5ft - Orange	Snap AV	Patch Cord 3ft - Orange	16

5 ARUBA TRAINING

Product Name	Manufacturer	Description	Credits
H1EJ9E	Hewlett Packard	HPE Aruba WW Education Tech Training SVC	15

6 OPTIONAL UXIQ SENSOR

Product Name	Manufacturer	Description	Quantity
UXIQ Sensor	SecurEdge Networks	<p>Sensor that will run standard & custom performance tests across wired/wireless networks (IPv4/IPv6, dual channel wireless) Supports POE and standard 12v power. Sensor must be connected to network in order to perform and receive test results.</p> <p>User Experience IQ Sensor License: Real time performance monitoring – 60 months</p>	5

In-Scope Locations

<u>Buildings</u>	<u># of Existing APs pas per the floor plans</u>	<u>Type of AP-Existing</u>	<u>Meru Controller qty</u>	<u>Total # of Proposed APs</u>
Alumni House	2	Meru	2	2
Bailey Hall	16	8 Aruba 515 / 8 -535	13	0
Bailey Stadium	14	Meru	13	15
Barron Hall	24	Meru	23	24
Belk Auditorium	17	Meru	12	12
Belk Hall (To be renovated)	33	Meru	34	34
Browns Common (ML Commons)	4	Meru	4	4
Campus Police	1	Meru	1	1
Campus Services	4	Meru	1	4
Carol Internation House	15	Meru	15	15
Cleveland St. House	2	Meru	2	2
Clinton Hall (To be renovated)	51	Meru	49	51
Douglas House	14	Meru		14
Edmunds Hall	9	Meru	9	9
Frat 1 (PKA)	2	Meru	2	2
Frat 2 (KA)	2	Meru	2	2
Frat 3	2	Meru	2	2
Frat 5	2	Meru	2	2
Frat 6 (Sigma Nu)	2	Meru	2	2
Frat4 (Theta Chi)	2	Meru	2	2
Georgia Hall	75	Meru	79	79
Godfrey House	1	Meru	1	1
Greenville Dining Hall	7	Meru	7	7
Grotnes Hall	24	Meru	22	24
Harper Center	10	Meru	10	10
Harrington Peachtree	39	Meru	16	18
Jacobs Hall	22	Meru	21	22
Lassister Hall	12	Meru	12	12
Laurens Hall	8	Aruba - 515		0
Library	31	Meru	31	31
Martin Stadium	1	Meru	1	1
Moorefield House	1	Meru	1	1
MSU house	1	Meru	1	1

MSY	6	Meru		6
Neville Hall	43	Meru	43	43
Patrick Center	9	Meru	9	9
Pharmacy	35	4 Aruba 335 / 31-315		35
Pollock Baseball Stadium	1	Meru		1
President's House	3	Meru		3
Reynolds Hall	5	4-Aruba 305 /1 -367		5
Richardson hall	30	Meru		30
Senior A	25	24- Aruba 305/1 - 367		25
Senior B	25	24- Aruba 305/1 - 367		25
Senior C	25	24- Aruba 305/1 - 367		25
Smith Admin	10	Meru	10	10
Smyth Dorm	29	Meru	29	34
Softball Stadium	1	Meru		1
Sports Medicine / Trailer	4	Meru	4	4
Spradley Hall	34	Meru	34	34
Springs Campus Center	27	Meru	33	33
Templeton Gym	32	Meru		32
Townhouse A	10	Meru	10	10
Townhouse B	10	Meru	10	10
Townhouse C	7	Meru	7	7
Yonce Field House	3	Meru	3	3
106 Calhoun (Wellness)	1			1
Academic Success House	1			1
Lacrosse Fieldhouse (storage)	2		1	2
Tennis courts				2
Outdoor Plaza				28
Neville Hall – Outdoor Coverage				6
Student Center – Outdoor Coverage				2

1825 CROSS BEAM DRIVE
SUITE B
CHARLOTTE, NC 28217

WWW.AJTTECHNOLOGY.COM
704.999.3356



Technology Design Exclusions:

- Construction Documents
- ISP survey or design
- Network power design and specifications.

Design Fees

Site Survey – Campus OSP System	\$ 3,600
Conceptual Design Report	\$ 4,250
Total Fee:	\$7,850

Hourly Compensation

For additional services outside which are outside of the scope of work described herein, including assumptions and exclusions, we propose additional compensation on an hourly or lump sum basis as determined prior to commencement of such work. Below is a schedule of our hourly compensation rates used for developing this proposal and for determining fees for additional services:

Project Fee Structure	Hourly Rates
Principal Consulting Hourly Rate	\$ 180
PM / Director	\$ 150
Sr Technology Designer	\$ 125
BIM/CAD Designer	\$ 85
Administration	\$ 60

Upon request, AJT can provide the following additional technology services:

1. Network Power audits and support services
2. Wireless Networking Surveys and Design.
3. Desktop Rollout.
4. Program Management and Roadmap services
5. Moves/Add/Changes support

This proposal shall remain valid for 90 days. After such time, we reserve the right to re-evaluate the terms and conditions of this proposal.

We appreciate the opportunity to provide our proposal on this prestigious assignment. We look forward to working with you and your team. If you have any questions regarding this proposal or the services AJT Technology Solutions offers, please don't hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read "Todd Hill".

Todd Hill, RCDD | PMP
President



Customer

AJT Technology Designs Inc
1825 Cross Beam Dr, Suite B
Charlotte, NC
28217, United States
7049993356

Prepared By:
Todd Hill
3212234760
todd.hill@ajttechnology.com

Presbyterian College**Bill
Roach**

Project: **Presbyterian College - Campus Fiber Upgrade**

Scope of Work

Alternate # 1

Budgetary construction estimate for the installation of new underground fiber cabling and associated pathways and termination equipment as defined in the Conceptual Design Site Plans. Alternate does not include diverse routing and reduces the fiber counts to 12-strands to individual buildings.

Phase 1 Fiber Cabling

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 9,138.57	\$ 19,131.34	\$ 28,269.91

Phase 1 Underground

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 17,619.62	\$ 250,778.78	\$ 268,398.39

Phase 1 Connectivity

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 22,629.80	\$ 45,661.78	\$ 68,291.58

Phase 2 Fiber Cabling

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 4,806.23	\$ 9,224.81	\$ 14,031.04

Phase 2 Underground

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 11,840.01	\$ 161,474.65	\$ 173,314.66



Quote: 1672 / Date: 1/15/2021

Phase 2 Connectivity

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 17,996.63	\$ 38,253.78	\$ 56,250.41

Phase 3 Fiber Cabling

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 5,020.00	\$ 7,325.47	\$ 12,345.47

Phase 3 Underground

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 4,617.74	\$ 84,248.76	\$ 88,866.49

Phase 3 Connectivity

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 18,598.06	\$ 30,833.06	\$ 49,431.11

Program Management & Design Services

Material Cost	Labor Cost and/or Adjustments	Total Cost
\$ 1,141.30	\$ 60,629.33	\$ 61,770.63

Included(+)

1. Closeout documentation included in budgetary cost: As-builts, test results, and warranty
2. Underground Labor Costs and Adjustments include locates, excavation equipment and permitting.

Excluded(-)

1. Any removal, replacement, or modifications to network electronics
2. ISP Cabling beyond of termination of OSP cabling

Notes



Quote: 1672 / Date: 1/15/2021

Summary

Price

Labor and Adjustments	\$ 707,561.74
Materials	\$ 113,407.96
Subtotal	\$ 820,969.70

Others

Contingency	\$ 124,336.24
Total Others	\$ 124,336.24

Taxes

Labor and Adjustments Tax	\$ 0.00
Materials Tax	\$ 7,938.56
Total Taxes	\$ 7,938.56

\$ 953,244

Accepted By

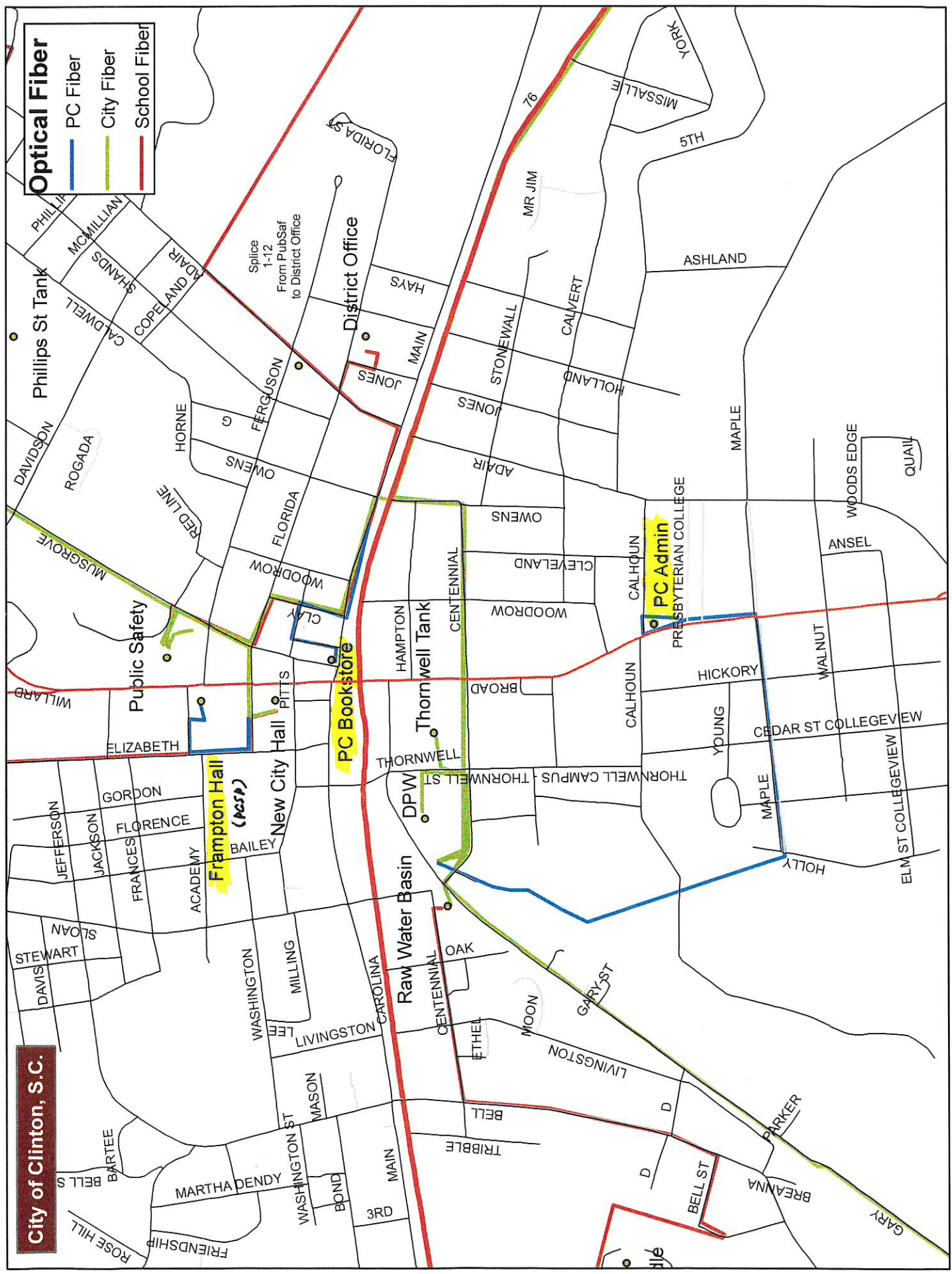
Date

.....

City of Clinton, S.C.

Optical Fiber

- PC Fiber
- City Fiber
- School Fiber





PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

Infrastructure Grant - Broadband

Applicant: Presbyterian College

Project: Presbyterian College Wireless & Broadband Fiber Upgrade

EXHIBIT D – PROJECT NARRATIVE

Executive Summary – Definition of the Problem and Need

Capital improvement projects are ongoing at Presbyterian College, and there is never enough money in the general operating budget to take care of everything at once. This is especially true now as the global COVID-19 pandemic significantly increased the College's annual operating expenses over the past 24 months. In addition, enrollment numbers have not yet returned to pre-pandemic levels, which means that lost tuition revenue places an even greater burden on the College's financial health.

Presbyterian College is requesting \$601,654 to assist in a \$1,601,654 project to upgrade its functionally obsolete wireless and broadband fiber network. This project is urgently needed as the systems are functionally obsolete and at risk of failure. The wireless networking component of the project is no longer being manufactured and does not have professional technical support. The broadband fiber component is just as critical as it is at the end of its serviceable life and no longer has the capacity to handle modern internet requirements. There are also degradation issues resulting from the fiber optic cables being incorrectly installed more than 20 years ago, which has made the underground network more susceptible to damage, water intrusion, and failure.

Having a fast, reliable, and secure wireless broadband network is necessary in a campus environment. Lessons learned from the pandemic have shown that the demand for 24/7 wireless availability, virtual classrooms and meetings, and streaming content will only increase in the future. Presbyterian College must invest in this technology to remain competitive and offer safe and secure access to students and greater access to visitors including the local community.

Presbyterian College serves the Laurens County community in various capacities from providing health care to offering social and cultural enrichment opportunities. The proposed project addresses critical public health needs including mental health. During the pandemic, it was not uncommon to see community members using the College's guest WiFi access in parking lots on campus. Typically, these were residents without home internet access. Currently, the outdated wireless access points and network hubs do not have sufficient broadband capacity and range to extend much beyond the footprint of academic buildings. Therefore, upgrading these devices and systems will allow the College to offer safer and reliable networks to provide a much better user experience on campus, in the library, or during athletic events. This project is an urgent need that must begin in the summer of 2022; however, the College will not have the resources to complete the project as proposed unless it receives funding from the Laurens County ARP grant funds.

Project Description

Wireless Network

The current wireless network consists of approximately 800 wireless access points and two Meru management controllers. The system was installed nearly a decade ago, and since then Meru was sold to another technology company. The Meru products are outdated, no longer being manufactured, have interoperability issues with other systems, and have limited to no technical support. The project will replace the obsolete Meru equipment with a Hewlett Packard Aruba Central cloud network solution. Aruba Central is advanced technology that will monitor the access points and wireless network throughout the campus while offering a self-optimizing feature to provide better security and performance. The number of access points will also be increased to provide even greater coverage across campus.

In addition to providing enhanced wireless coverage and stability for students, faculty, and staff, the new technology will provide more accessible guest access for campus visitors. During the pandemic, local residents without internet service were able to use the College's wireless internet in certain parking lots. This enabled local school children to attend virtual classes and complete homework assignments. More coverage and accessibility will result in an even greater benefit to the local community. This will require more security, however, which the Aruba Central network solution will provide.

In December 2021, PC distributed a Request for Proposals for the campus wireless upgrade project. For the past two months the College's Chief Information Officer and Information Technology team have evaluated these proposals to select the best possible solution and value. The vendors were narrowed down to the top choice, DATAVALET, and the team has been working with this company to refine the scope of work and develop a contract based on these parameters. The full scope of work is included in the cost estimate.

The project will begin in June 2022 after all classes and commencement exercises are completed. The team has already been notified that there are supply chain issues with the equipment and to expect it to be delivered in stages. Therefore, the project will most likely take place over several months with the main components being installed over the summer and smaller components such as the access points being installed in groups over the next six months.

Broadband Fiber

The Presbyterian College broadband fiber network is constructed using fiber optic cable technology that is more than 20 years old and near the end of its serviceable life. The cable type and quantity installed have limiting factors affecting speed and distance supported. Cable degradation is present due to its age and environmental damage. The campus urgently needs an upgraded broadband fiber optic network that allows for longer cable runs that support higher data transmission speeds.

The majority of the campus broadband fiber network was completed in 1998 and installed with connectivity in mind, not growth. A very small number of fiber pairs are routed between most of campus buildings, and the pair count ranges between one and three pairs for most locations. The lower section of campus, consisting of Bailey Stadium, fraternity houses, senior town houses and the facilities building, has the lowest pair count, with most buildings having only one pair. This is extremely limiting given the distance of the fiber runs. The low pair count also prohibits any type of redundancy. Current singlemode broadband fiber networks are being installed that support 10, 40 and 100 Gig speeds, while the College's lower campus only supports 100 meg.

Fiber optic cable comes in many types. The dominant type of cable on the PC campus is OM1 62.5 multimode fiber that is more than 20 years old. The lifespan for optical fiber cabling is generally thought to be between 20 and 25 years and varies greatly based on the installation method. The useful life of fiber may be reduced by environmental impacts at the terminations. Water intrusion at the termination and splice points, followed by changes in temperature can cause brittleness. A significant amount of the campus fiber is installed as direct-bury cable, which is the least recommended solution as it allows the cable to be in direct contact with the environment. Recently there have been cable issues between the science building, library and Laurens Hall. Several attempts were made to repair these cables without success. The cable was very brittle and was cracking apart as the splicing technician tried to strip the cable for repair.

The College has worked with AJT Technology Solutions to develop a scope of work and estimate, and the current action plan is to produce construction drawings to solicit bids through a formal RFP process similar to what was done with the Wireless Upgrade component. The two components of these projects work hand-in-hand with the wireless upgrade being the connection that most people will "see" and the broadband upgrade being the "backbone" of the data transmission.

There is no backup plan that can be implemented without negative consequences. This project is one of the College's top priorities and must be completed. The current wireless network is no longer manufactured or supported, which means that any failure in the system could be permanent. It poses a cybersecurity risk and is not capable of accommodating the reliability and accessibility expectations of the community. The broadband fiber has reached the end of its serviceable life and must be upgraded to perform at the higher transmission rates that are required by modern standards. Unfortunately, these issues cannot be postponed any longer and must be addressed now. Funding from the Laurens County ARP grant funds will allow the College to expedite this project.



PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

Infrastructure Grant - Broadband

Applicant: Presbyterian College

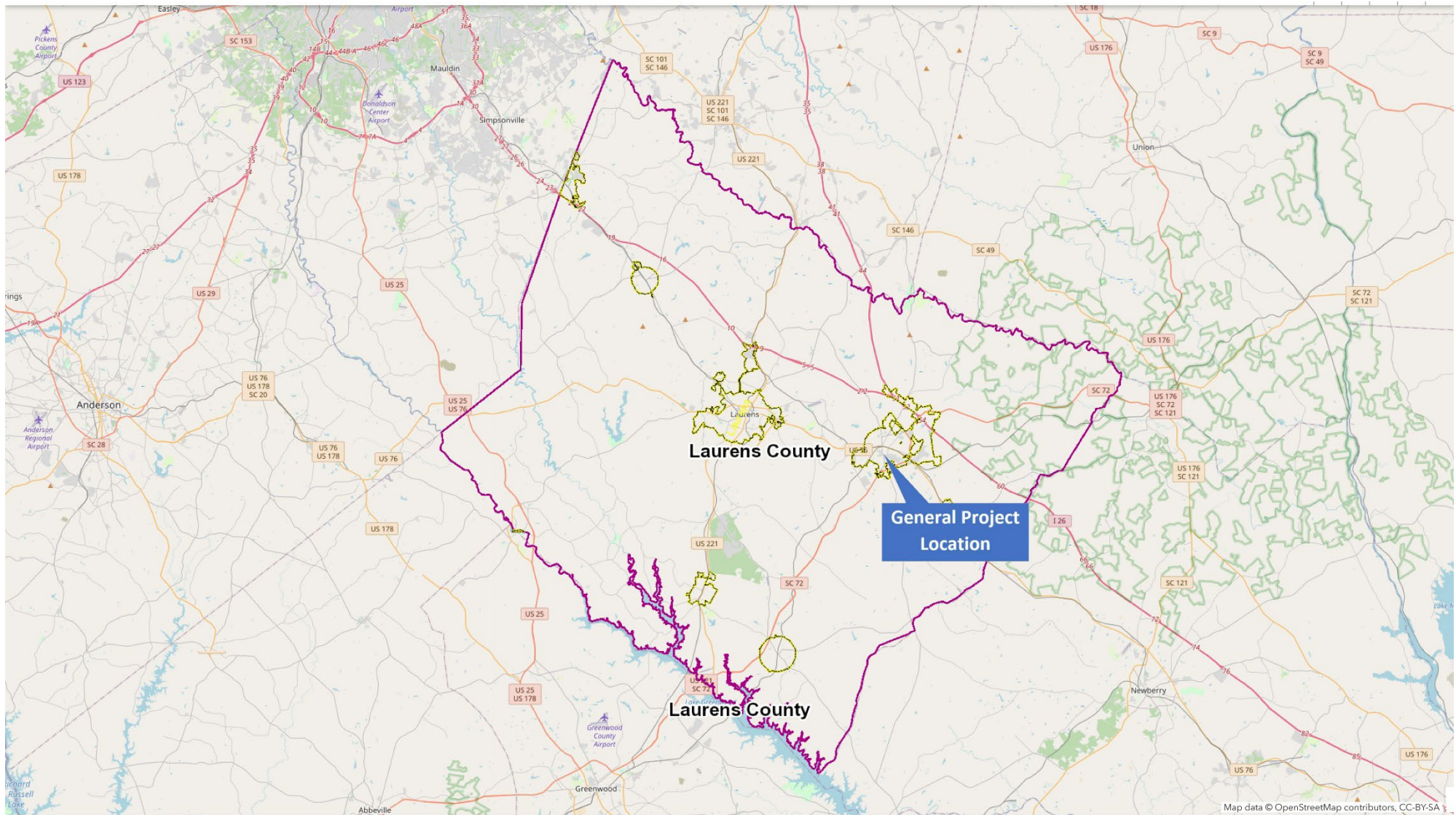
Project: Presbyterian College Wireless & Broadband Fiber Upgrade

EXHIBIT E – LOCATION/SERVICE MAPS

- A. Map of the entire County showing the general project location.
- B. Map showing the Presbyterian College main campus
- C. Map showing the Presbyterian College School of Pharmacy campus

Exhibit E – Location/Service Area Maps

A. Map of the entire County showing the general project location

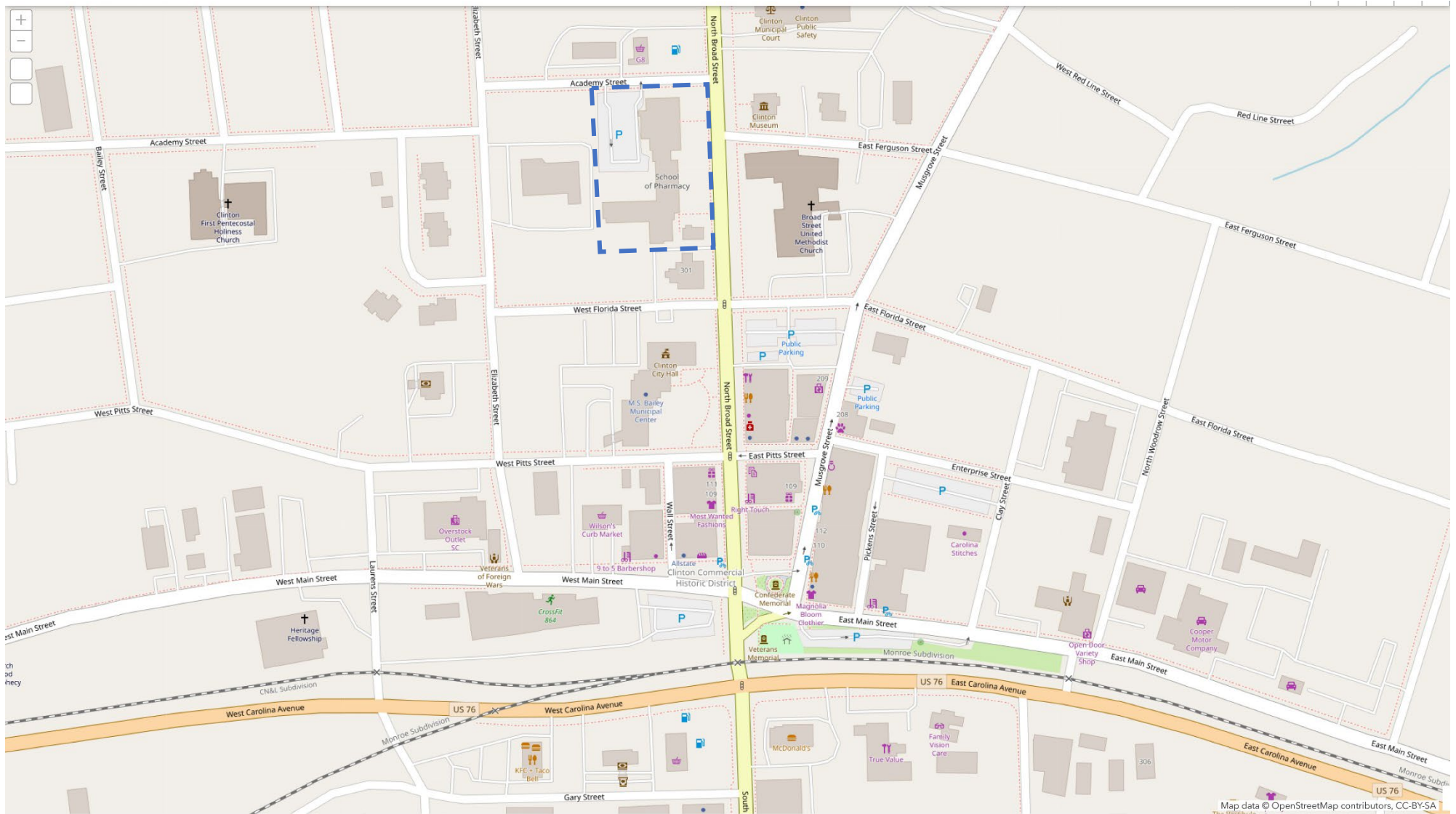


Presbyterian College – Main Campus Service Location

B. Map showing the Presbyterian College main campus



C. Map showing the Presbyterian College School of Pharmacy campus





PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

Infrastructure Grant - Broadband

Applicant: Presbyterian College

Project: Presbyterian College Wireless & Broadband Fiber Upgrade

EXHIBIT F – PROJECT TEAM INFORMATION, COMMITMENT LETTERS, AND BUDGETS

Presbyterian College does not have any partners who will be participating in this project; however, equipment suppliers and installers will be hired through an RFP process meeting the College's procurement policy. Oversight will be through the College's VP for Finance and Administration, the Executive Director of Facilities, and the Chief Information Officer.

The College will also work with local government officials to ensure that permitting is secured and coordination efforts are seamless.



PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

Infrastructure Grant - Broadband

Applicant: Presbyterian College

Project: Presbyterian College Wireless & Broadband Fiber Upgrade

EXHIBIT G – CURRENT YEAR BUDGET

Presbyterian College operates on a fiscal year that begins on July 1 and ends on June 30.

**PRESBYTERIAN COLLEGE
OPERATING BUDGET ANALYSIS
FISCAL YEAR 2021-22**

	2020-21 Actual	2021-22 Budget	2021-22 Projections	Difference
Revenues by Source				
Undergraduate Tuition and Fees	\$ 38,245,000	\$ 40,337,000	\$ 36,957,000	\$ (3,380,000) (1)
Undergraduate Room and Board	10,016,000	10,516,000	9,814,000	(702,000) (1)
Pharmacy Tuition and Fees	6,990,000	6,265,000	6,081,000	(184,000) (2)
Physician Assistant Tuition and Fees	2,654,000	3,301,000	3,286,000	(15,000)
Occupational Therapy Tuition and Fees	285,000	1,372,000	960,000	(412,000) (3)
Less Scholarships	(26,234,000)	(27,505,000)	(25,575,000)	1,930,000 (4)
Net	31,956,000	34,286,000	31,523,000	(2,763,000)
Endowment Income	5,041,000	5,102,000	5,102,000	-
Annual Fund	1,409,000	1,350,000	1,350,000	-
President's Strategic Initiatives Fund	232,000	-	124,000	124,000 (5)
Forever PC	1,000	-	-	-
Net Transfers	526,000	250,000	266,000	16,000
Government Grants	5,635,000	113,000	1,537,000	1,424,000 (6)
Summer School	662,000	765,000	765,000	-
Course Fees	24,000	35,000	30,000	(5,000)
OT Program Seed Money	500,000	-	-	-
Summer Conferences	22,000	110,000	110,000	-
Other Program Revenue	766,000	578,000	624,000	46,000
Interest and Dividends	220,000	280,000	178,000	(102,000) (7)
Athletic Revenue	337,000	713,000	744,000	31,000
Rental Income	64,000	37,000	42,000	5,000
Total Revenue	\$ 47,395,000	\$ 43,619,000	\$ 42,395,000	\$ (1,224,000)
Expenditures				
Instructional				
Salaries and Benefits - Arts and Sciences	\$ 6,619,000	\$ 7,107,000	\$ 7,458,000	\$ (351,000) (8)
Salaries and Benefits - Pharmacy	3,104,000	3,467,000	3,335,000	132,000 (9)
Salaries and Benefits - PA Program	673,000	717,000	670,000	47,000
Arts and Sciences	220,000	439,000	442,000	(3,000)
Pharmacy	349,000	494,000	426,000	68,000
Total Instructional	\$ 10,965,000	\$ 12,224,000	\$ 12,331,000	\$ (107,000)
Academic Support				
Salaries and Benefits - Arts and Sciences	\$ 1,658,000	\$ 1,891,000	\$ 1,592,000	\$ 299,000 (9)
Salaries and Benefits - Pharmacy	940,000	872,000	917,000	(45,000)
Salaries and Benefits - PA Program	197,000	212,000	215,000	(3,000)
Salaries and Benefits - OT Program	405,000	565,000	500,000	65,000
Provost	192,000	243,000	243,000	-
Dean of Pharmacy	210,000	309,000	309,000	-
PA Program	434,000	624,000	660,000	(36,000)
OT Program	53,000	85,000	85,000	-
Other	521,000	611,000	671,000	(60,000)
Total Academic Support	\$ 4,610,000	\$ 5,412,000	\$ 5,192,000	\$ 220,000

**PRESBYTERIAN COLLEGE
OPERATING BUDGET ANALYSIS
FISCAL YEAR 2021-22**

	2020-21 Actual	2021-22 Budget	2021-22 Projections	Difference
Student Services & Administration				
Salaries and Benefits	\$ 10,021,000	\$ 10,851,000	\$ 10,426,000	\$ 425,000 (9)
Student Life	333,000	312,000	389,000	(77,000)
Athletics	2,189,000	2,949,000	2,973,000	(24,000)
Admissions and Marketing	1,062,000	1,027,000	1,038,000	(11,000)
President and Human Resources Expense	324,000	157,000	220,000	(63,000)
Institutional Advancement	237,000	294,000	439,000	(145,000) (10)
Finance and Administration	2,154,000	1,954,000	2,129,000	(175,000) (11)
Debt Service	901,000	2,180,000	2,180,000	-
Dining Services	2,027,000	2,175,000	1,998,000	177,000 (12)
Physical Plant	4,830,000	5,649,000	6,024,000	(375,000) (13)
Contingency & Restricted Funds	-	909,000	-	909,000 (14)
Total Student Services and Administration	\$ 24,078,000	\$ 28,457,000	\$ 27,816,000	\$ 641,000
Total Expenditures	\$ 39,653,000	\$ 46,093,000	\$ 45,339,000	\$ 754,000
Operating Budget Surplus (Deficit)	\$ 7,742,000	\$ (2,474,000)	\$ (2,944,000)	\$ (470,000)
Transfer from (to) Reserve Fund	<u>(7,742,000)</u>	<u>2,474,000</u>	<u>2,944,000</u>	<u>470,000</u>
Surplus after Transfer to Reserve Fund	\$ -	\$ -	\$ -	\$ -



PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

Infrastructure Grant - Broadband

Applicant: Presbyterian College

Project: Presbyterian College Wireless & Broadband Fiber Upgrade

EXHIBIT H – MOST RECENT AUDITED FIANCIAL STATEMENTS



Presbyterian College

Consolidated Financial Statements and Supplementary Information Years Ended June 30, 2021 and 2020

Presbyterian College

Consolidated Financial Statements and Supplementary Information Years Ended June 30, 2021 and 2020

Presbyterian College

Contents

Independent Auditor's Report	4-6
Consolidated Financial Statements	
Consolidated Statements of Financial Position	8
Consolidated Statements of Activities	9-10
Consolidated Statements of Functional Expenses	11-12
Consolidated Statements of Cash Flows	13
Notes to Consolidated Financial Statements	14-40
Supplementary Information	
Title IV Strength Factor Score	42
Notes to Title IV Strength Factor	43
Consolidating Statement of Financial Position	44
Consolidating Statement of Activities	45
Consolidating Statement of Cash Flows	46
Supplemental Operating Schedule	47



Independent Auditor's Report

The Board of Trustees
Presbyterian College
Clinton, South Carolina

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Presbyterian College (the "College"), which comprise the consolidated statement of financial position of June 30, 2021, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the College as of June 30, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

The June 30, 2020 consolidated financial statements of the College were audited by other auditors, whose report dated October 13, 2020 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, in the year ended June 30, 2021, the College adopted new accounting guidance related to Financial Accounting Standards Board Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)*. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit of the consolidated financial statements was conducted for the purpose of forming an opinion on those statements as a whole. The supplementary information presented in the following accompanying Title IV Strength Factor Score, Consolidating Statement of Financial Position, Consolidating Statement of Activities, Consolidating Statement of Cash Flows, and Supplemental



Operating Schedule (the “Supplementary Information”) are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The Supplementary Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2021 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College’s internal control over financial reporting and compliance.

BDO USA, LLP

November 5, 2021

Consolidated Financial Statements

Presbyterian College

Consolidated Statements of Financial Position

<i>June 30,</i>	2021	2020
Assets		
Cash and cash equivalents	\$ 21,905,717	\$ 20,932,712
Accounts receivable, net	906,246	410,440
Contributions receivable, net	2,569,532	3,373,824
Notes receivable, net	600,606	724,875
Investments	109,800,045	87,169,894
Collections	3,763,877	3,763,877
Trust fund assets	6,294,895	5,069,026
Contributions receivable from trusts	870,089	827,492
Prepaid expenses and other assets	890,940	815,121
Property, plant, and equipment, net	89,802,348	86,297,871
Total Assets	\$ 237,404,295	\$ 209,385,132
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 1,143,363	\$ 1,574,749
Accrued expenses	3,337,396	2,954,288
Deferred tuition revenue	1,226,382	732,888
Other liabilities	1,862,870	2,025,338
Refundable advance	-	4,530,705
Capital lease obligation	1,384,571	720,972
Long-term debt, net	60,263,322	57,946,975
Advances from Federal government	463,203	578,756
Total Liabilities	69,681,107	71,064,671
Net Assets		
Without donor restrictions		
Undesignated	15,291,872	8,458,499
Designated by the Board for endowment	5,495,719	4,228,616
Invested in property and equipment, net of related debt	28,154,455	27,629,924
Total without donor restrictions	48,942,046	40,317,039
With donor restrictions	118,781,142	98,003,422
Total Net Assets	167,723,188	138,320,461
Total Liabilities and Net Assets	\$ 237,404,295	\$ 209,385,132

See notes to consolidated financial statements.

Presbyterian College

Consolidated Statement of Activities

<i>Year Ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues and Support			
Tuition and fees, net of \$26,594,077 in scholarships	\$ 22,214,388	\$ -	\$ 22,214,388
Private gifts and grants	2,503,527	1,508,764	4,012,291
Government grants and contracts	1,348,831	150,635	1,499,466
Investment return designated for operations	5,060,249	391,285	5,451,534
Gains on investments	80,150	42,295	122,445
Income from perpetual trusts	165,764	-	165,764
Auxiliary income	10,283,335	-	10,283,335
Athletic revenue	33,000	354,692	387,692
Miscellaneous revenues	787,203	169,529	956,732
Total	42,476,447	2,617,200	45,093,647
Net assets released from restrictions	1,604,078	(1,604,078)	-
Total Operating Revenues and Support	44,080,525	1,013,122	45,093,647
Operating Expenses			
Program Services Expenses			
Instructional	14,279,598	-	14,279,598
Library	1,067,152	-	1,067,152
Academic support	3,710,856	-	3,710,856
Student services	10,433,154	-	10,433,154
Auxiliary enterprises	5,233,797	-	5,233,797
Total Program Services Expenses	34,724,557	-	34,724,557
Supporting Services Expenses			
Management and general	8,376,838	-	8,376,838
Fundraising	1,201,815	-	1,201,815
Total Supporting Services Expenses	9,578,653	-	9,578,653
Total Operating Expenses	44,303,210	-	44,303,210
Change in net assets from operating activities	(222,685)	1,013,122	790,437
Nonoperating Revenues (Expenses)			
Private gifts and grants	-	3,186,074	3,186,074
Income from perpetual trusts	-	9,609	9,609
Excess of investment gains over spending rate amount	714,999	18,339,630	19,054,629
Other investment gains	552,105	10,703	562,808
Change in value of split-interest agreements and charitable remainder trusts	6,330	1,262,135	1,268,465
Gain on extinguishment of refundable advance	4,530,705	-	4,530,705
Net assets released from restrictions	3,043,553	(3,043,553)	-
Change in net assets from nonoperating activities	8,847,692	19,764,598	28,612,290
Change in Net Assets	8,625,007	20,777,720	29,402,727
Net Assets, beginning of year	40,317,039	98,003,422	138,320,461
Net Assets, end of year	\$ 48,942,046	\$ 118,781,142	\$ 167,723,188

See notes to consolidated financial statements.

Presbyterian College

Consolidated Statement of Activities

<i>Year Ended June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues and Support			
Tuition and fees, net of \$26,503,846 in scholarships	\$ 21,974,767	\$ -	\$ 21,974,767
Private gifts and grants	3,297,255	3,095,224	6,392,479
Government grants and contracts	347,592	684,825	1,032,417
Investment return designated for operations	4,800,745	455,676	5,256,421
Gains (losses) on investments	288,149	(3,107)	285,042
Income from perpetual trusts	189,600	-	189,600
Auxiliary income	9,785,753	-	9,785,753
Athletic revenue	507,742	193,936	701,678
Miscellaneous revenues	657,491	76,161	733,652
Total	41,849,094	4,502,715	46,351,809
Net assets released from restrictions	1,361,332	(1,361,332)	-
Total Operating Revenues and Support	43,210,426	3,141,383	46,351,809
Operating Expenses			
Program Services Expenses			
Instructional	15,663,690	-	15,663,690
Library	1,259,955	-	1,259,955
Academic support	3,759,236	-	3,759,236
Student services	11,359,237	-	11,359,237
Auxiliary enterprises	5,337,638	-	5,337,638
Total Program Services Expenses	37,379,756	-	37,379,756
Supporting Services Expenses			
Management and general	6,814,367	-	6,814,367
Fundraising	1,314,363	-	1,314,363
Total Supporting Services Expenses	8,128,730	-	8,128,730
Total Operating Expenses	45,508,486	-	45,508,486
Change in net assets from operating activities	(2,298,060)	3,141,383	843,323
Nonoperating Revenues (Expenses)			
Private gifts and grants	-	967,707	967,707
Income from perpetual trusts	-	9,618	9,618
Excess of investment losses over spending			
rate amount	(480,465)	(4,404,777)	(4,885,242)
Other investment gains	10,623	40,952	51,575
Change in value of split-interest agreements and			
charitable remainder trusts	(2,113)	(207,219)	(209,332)
Net assets released from restrictions	209,878	(209,878)	-
Transfers	(4,465,501)	4,465,501	-
Change in net assets from nonoperating activities	(4,727,578)	661,904	(4,065,674)
Change in Net Assets	(7,025,638)	3,803,287	(3,222,351)
Net Assets, beginning of year	47,342,677	94,200,135	141,542,812
Net Assets, end of year	\$ 40,317,039	\$ 98,003,422	\$ 138,320,461

See notes to consolidated financial statements.

Presbyterian College

Consolidated Statement of Functional Expense

	Program Services					Supporting Services			
	Instructional	Library	Academic Support	Student Services	Auxiliary Enterprises	Program Services	Management and General	Fundraising	Total Supporting Services
Year Ended June 30, 2021									
Payroll	\$ 9,845,099	\$ 276,467	\$ 1,982,240	\$ 4,746,051	\$ 330,212	\$ 17,180,069	\$ 2,538,467	\$ 793,810	\$ 3,332,277
Benefits	1,602,014	65,116	357,531	976,870	73,762	3,075,293	465,802	177,488	643,290
Depreciation, amortization and accretion	543,171	213,918	21,796	232,826	620,318	1,632,029	1,870,763	5,390	1,876,153
Occupancy	1,030,603	188,596	71,703	590,312	586,250	2,467,464	254,202	3,665	257,867
Membership, dues, and conferences	52,135	4,330	110,884	128,507	1,809	297,665	76,813	11,764	88,577
Travel	4,587	-	12,056	493,652	19,309	529,604	122,988	7,227	130,215
Repairs and maintenance	125,312	15,311	114,815	109,127	932,825	1,297,390	320,611	791	321,402
Postage, photocopying, and advertising	3,121	916	12,858	132,229	5,527	154,651	30,778	13,451	44,229
Professional and contract services	136,197	27	358,446	964,219	1,229,797	2,688,686	587,835	23,755	611,590
Athletic expenses	-	-	-	548,094	-	548,094	2,541	504	3,045
Food, entertainment, and food contract	15,206	-	2,971	139,809	2,020,551	2,178,537	6,441	17,110	23,551
Office, instructional, and other supplies	188,765	173,267	306,084	269,619	67,204	1,004,939	44,374	5,041	49,415
Minor equipment and software	53,625	13,504	163,489	256,600	3,949	491,167	212,469	47,307	259,776
Other expenses	188,469	23,831	94,307	601,479	261,500	1,169,586	361,643	93,229	454,872
Interest	17,280	594	100,689	2,712	8,685	129,960	1,361,126	691	1,361,817
Allocated expenses	474,014	91,275	987	241,048	(927,901)	(120,577)	119,985	592	120,577
Total	\$ 14,279,598	\$ 1,067,152	\$ 3,710,856	\$ 10,433,154	\$ 5,233,797	\$ 34,724,557	\$ 8,376,838	\$ 1,201,815	\$ 9,578,653
									\$ 44,303,210

See notes to consolidated financial statements.

Presbyterian College

Consolidated Statement of Functional Expense

Year Ended June 30, 2020	Program Services				Supporting Services					
	Instructional	Library	Academic Support	Student Services	Auxiliary Enterprises	Program Services	Management and General	Fundraising	Supporting Services	Total
Payroll	\$ 10,090,320	\$ 352,416	\$ 1,994,186	\$ 4,704,572	\$ 395,427	\$ 17,536,921	\$ 2,532,421	\$ 844,926	\$ 3,377,347	\$ 20,914,268
Benefits	2,225,912	89,229	441,853	1,209,238	105,447	4,071,679	600,336	230,433	830,769	4,902,448
Depreciation, amortization and accretion	564,868	212,662	22,203	234,858	574,544	1,609,135	1,262,022	6,000	1,268,022	2,877,157
Occupancy	1,148,852	199,234	97,182	637,167	831,745	2,914,180	116,049	7,448	123,497	3,037,677
Membership, dues, and conferences	43,222	19,871	104,124	143,614	1,861	312,692	79,338	21,861	101,199	413,891
Travel	201,741	157	112,781	1,106,873	21,155	1,442,707	27,582	19,480	47,062	1,489,769
Repairs and maintenance	84,131	49,946	-	28,480	755,400	917,957	68,607	160	68,767	986,724
Postage, photocopying, and advertising	43,067	2,002	37,142	81,794	6,370	170,375	-	5,365	5,365	175,740
Professional and contract services	110,628	32,015	194,357	919,213	1,280,400	2,536,613	465,865	48,081	513,946	3,050,559
Athletic expenses	-	-	-	990,178	-	990,178	-	1,893	1,893	992,071
Food, entertainment, and food contract	39,084	36	17,121	289,417	1,959,491	2,305,149	62,804	23,087	85,891	2,391,040
Office, instructional, and other supplies	319,866	117,070	300,562	635,194	1,920	1,374,612	468,916	29,522	498,438	1,873,050
Minor equipment and software	159,242	13,308	303,042	94,045	10,418	580,055	140,375	47,596	187,971	768,026
Other expenses	130,769	78,291	19,773	12,607	322,965	564,405	6,589	27,163	33,752	598,157
Interest	26,748	2,437	113,826	30,827	-	173,838	863,373	698	864,071	1,037,909
Allocated expenses	475,240	91,281	1,084	241,160	(929,505)	(120,740)	120,090	650	120,740	-
Total	\$ 15,663,690	\$ 1,259,955	\$ 3,759,236	\$ 11,359,237	\$ 5,337,638	\$ 37,379,756	\$ 6,814,367	\$ 1,314,363	\$ 8,128,730	\$ 45,508,486

See notes to consolidated financial statements.

Presbyterian College

Consolidated Statements of Cash Flows

Year Ended June 30,	2021	2020
Operating Activities		
Change in net assets	\$ 29,402,727	\$ (3,222,351)
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:		
Extinguishment of refundable advance	(4,530,705)	-
Depreciation and amortization	3,512,389	2,877,157
Loss on disposal of property, plant, and equipment	6,889	43,593
Net realized and unrealized (gain) loss on investments	(24,506,163)	(371,179)
Net unrealized (gain) loss on trust fund assets	(1,225,869)	42,121
Provision for losses on accounts, notes, and pledges receivable	(55,397)	(55,339)
Contributions for long-term restricted purposes	(3,642,293)	(1,293,579)
Change in value of contributions receivable from trusts	(42,597)	167,211
Changes in operating assets and liabilities:		
Accounts receivable	(490,306)	(118,740)
Contributions receivable	838,189	(1,271,886)
Prepaid expenses and other assets	(75,819)	(86,570)
Accounts payable	(1,080,160)	(1,428,609)
Accrued expenses	383,108	24,286
Advances from Federal government	(115,553)	(202,557)
Other liabilities	(162,468)	(392,473)
Deferred tuition revenue	493,494	455,745
Refundable advance	-	4,530,705
Net Cash (Used in) Provided by Operating Activities	(1,290,534)	(302,465)
Investing activities		
Proceeds from notes receivable	140,270	402,637
Purchases of investments	(21,550,851)	(21,439,587)
Proceeds from sales and maturities of investments	23,426,863	25,422,581
Purchases of property, plant, and equipment	(5,414,279)	(10,346,048)
Net Cash Used in Investing Activities	(3,397,997)	(5,960,417)
Financing activities		
Contributions for long-term restricted purposes	3,642,293	1,293,579
Payments on capital lease obligation	(227,809)	(74,298)
Proceeds from long-term debt, net of debt issuance costs	62,110,919	12,066,360
Payments on long-term debt	(59,863,867)	(495,114)
Net Cash Provided by Financing Activities	5,661,536	12,790,527
Net change in cash and cash equivalents	973,005	6,527,645
Cash and Cash Equivalents, beginning of year	20,932,712	14,405,067
Cash and Cash Equivalents, end of year	\$ 21,905,717	\$ 20,932,712
Supplemental cash flow information:		
Interest paid	\$ 922,783	\$ 1,036,058
Non-cash investing and financing activity		
Property, plant, and equipment acquired through accounts payable	\$ 648,774	\$ 554,334
Property, plant, and equipment acquired through capital lease obligation	\$ 891,408	\$ -

See notes to consolidated financial statements.

Presbyterian College

Notes to Consolidated Financial Statements

1. Nature of Business

Presbyterian College (the “College”) is a private, residential, four-year liberal arts college located on a beautiful 240-acre campus in Clinton, South Carolina. With small classes and faculty who desire the best for their students, our supportive community provides an exceptional liberal arts education that empowers students to be servant leaders in their communities through challenging academics and a culture of honor and ethics.

Since 1880, the College has encouraged students to “Be Inspired for Life”. Be Inspired for Life is about the transformative process of finding one’s passion, while learning and growing through experiences and relationships. Our commitment to a strong liberal arts curriculum develops critical thinking skills across disciplines, and makes Presbyterian College graduates well-rounded, thoughtful and intelligent contributors to society. Our rigorous academics promote excellence and success, with 90 percent of our students in graduate programs or employed within six months of graduation. Presbyterian College is guided by its motto “While We Live, We Serve.” Students, faculty and staff are encouraged to serve the community and make a difference in the world.

The College has a total enrollment of approximately 1,000 undergraduate students. It also offers graduate programs for students wishing to obtain Doctorate of Pharmacy, Doctorate of Occupational Therapy, or a Masters of Physician Assistant degrees. Approximately 250 students are enrolled in these graduate programs.

Due to common control and relationship, the activities of the Presbyterian College Real Estate Foundation (“PCREF”) (See Note 3) and Presbyterian College Foundation (the “Foundation”) are also included in these statements. PCREF and the Foundation were each established for the exclusive benefit of Presbyterian College.

2. Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the College, the Foundation, and PCREF, with intercompany balances and transactions eliminated in consolidation.

Basis of Presentation

The College’s consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates inherent in the preparation of the consolidated financial statements include estimates of the allowance for uncollectible accounts, estimates of fair value on non-publicly traded securities, useful lives of depreciable assets, cash flows and actuarial assumptions used.

Presbyterian College

Notes to Consolidated Financial Statements

Cash and Cash Equivalents

All highly liquid investments with an original maturity of three months or less are considered to be cash equivalents, except for cash allocations in the endowment, which are included in investments. The College maintains cash balances with financial institutions which at times may be in excess of the Federal Deposit Insurance Corporation insured limit.

Student Tuition and Accounts Receivable

Student tuition and fees are recorded as revenue in the year during which the related academic services are rendered. Student tuition and fees received in advance of services to be rendered are reported as deferred tuition revenue on the consolidated statements of financial position.

Student accounts receivable are reported at the estimated net realizable amount and are included in accounts receivable on the consolidated statements of financial position. Receivables are written off when deemed uncollectible. Receivables are deemed uncollectible after one year of inactivity. The allowance for uncollectible student accounts receivable was approximately \$122,000 and \$128,000 as of June 30, 2021 and 2020, respectively. Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers* (“ASC 606”), which the College adopted retrospectively during the year ended June 30, 2021, dictates that revenue presented on the consolidated statements of activities should only reflect the transaction price, or amount reasonably expected to be collected. As a result, the portion of current year tuition and fees not expected to be collected reduces revenue instead of increasing bad debt expense. See “Revenue Recognition” section of Note 2 below for additional information over the adoption of ASC 606.

Contributions and Promises to Give

Contributions are recognized as revenue in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as increases to net assets with donor restrictions. Contributions where donor restrictions are met within the same fiscal year as the contribution is received are included in net assets without donor restrictions.

Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using a credit risk adjusted discount rate. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included in revenue or receivables until the conditions are substantially met. As of June 30, 2021 and 2020, the College had no conditional promises to give.

Notes Receivable and Advances from Federal Government

Notes receivable are reported at the estimated net realizable amount and include Perkins loans and loans made to students by the College. The allowance for uncollectible notes receivable was approximately \$9,500 and \$8,000 as of June 30, 2021 and 2020, respectively. Advances to the

Presbyterian College

Notes to Consolidated Financial Statements

College from the Federal government under the Perkins Loan Program are payable to the Federal government upon liquidation of the Program and thus, are reflected as liabilities on the consolidated statements of financial position.

Investments

All marketable equity securities and all debt securities are recorded at fair value, with realized and unrealized gains and losses reported in the consolidated statements of activities. Other investments including cash surrender value of life insurance and limited partnerships are carried at an estimated fair value based on financial information provided by external sources. Management relies on various factors to estimate the fair value of these investments including statements from managers, investment advisors, consultants, and other professional appraisers. Management believes its processes and procedures for valuing investments are effective, and that its estimate of value is reasonable. See Note 5 for additional information on fair value measurements.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost less accumulated depreciation. Depreciation is computed on the straight-line method, based on the estimated useful lives of the respective assets. Interest costs, if any, less related interest income, incurred during the construction period are capitalized as a cost of the constructed assets. The College capitalizes assets that have a useful life of greater than one year and are a cost that exceeds \$10,000. Donated assets are recorded at the fair value of the contribution as of the gift date. Estimated useful lives by asset class are as follows:

<u>Classification</u>	<u>Estimated Useful Life</u>
Land improvements and building improvements	15 years
Buildings	50 years
Equipment	3 - 10 years
Library books	20 years

Assets under capital lease are amortized over the shorter of the lease term or the estimated useful life of the asset.

Collections

The College's collections are made up of artifacts of historical significance and art objects. The College has capitalized its collections since its inception. If purchased, items placed into the collection are capitalized at cost, and if donated, they are capitalized at their appraised or fair value as of the dates on which the items are accepted by the College. Gains or losses on the removal of collection items are classified in the consolidated statements of activities depending on donor restrictions, if any, placed on the item at the time of accession.

Estates and Trusts

Due to characteristic uncertainties, the College has not recognized an estimate for bequest intentions. Unless the ultimate amount available for distribution can be determined before the close of the probate proceedings, the College does not record revenue from estates until the time of asset distribution. Trusts in which the College is named as irrevocable beneficiary, but is not a trustee, are recorded when the College is notified by the trustee and the ownership percentage and valuation are determined. Distributions received on trust assets are recorded as investment income in the

Presbyterian College

Notes to Consolidated Financial Statements

statement of activities unless otherwise restricted by the donor. Subsequent changes in fair value of the trust assets are recorded as net unrealized gains or losses on perpetual trusts in net assets with donor restrictions.

Contributions Receivable from Trusts

The College is a beneficiary of split-income unitrusts where others are trustees. The contributions receivable from trusts is stated at the estimated future benefits to be received when the trust assets are distributed. This valuation considers the fair value of the assets less the present value of the estimated future payments to the beneficiary of income for life or term of years. Appropriate tables are used in the computation of the liability for life beneficiaries.

Debt Issuance Costs

Debt issuance costs were incurred with obtaining certain long-term debt. These costs are amortized using the straight-line method over the life of the related debt, which approximates the effective interest method. Debt issuance costs have been netted against the related debt in the consolidated statements of financial position. Amortization expense has been included in interest expense in the consolidated statements of activities.

Net Assets

The College's net assets are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the College. These net assets may be used at the discretion of the College's management and the Board of Trustees.

Net assets with donor restrictions: Net assets that are subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or by actions of the College. Other donor-imposed restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as increases in net assets without restrictions unless use of the related assets is limited by donor-imposed restrictions and these restrictions are not met within the current reporting period. Expenses are reported as decreases in net assets without donor restrictions. Expirations and releases of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions. Donor restrictions on gifts to acquire long-lived assets are considered met in the period the assets are acquired or placed in service.

Availability of Funds for General Expenditures

The College has certain net assets that are available for general expenditures within one year of the College's fiscal year end, based on conducting the normal activities of its programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year. See Note 4

Presbyterian College

Notes to Consolidated Financial Statements

for additional information on availability and liquidity.

Revenue Recognition

The College's students are analogous with *customers* as defined by ASC 606, *Revenue from Contracts with Customers* ("ASU 2014-09" or "ASC 606"). The College follows the guidance within ASC 606 as it pertains to the tuition and fees revenues from its students. Accordingly, the College recognizes tuition and fees revenues when control of the promised services is transferred to the students in an amount that reflects the consideration that the College expects to be entitled to in exchange for those services.

ASC 606 Transition

During the year ended June 30, 2021, the College adopted ASC 606 using the full retrospective approach. Due to the nature of the College's performance obligations and the timing of the College's fiscal year end, the cumulative effect to beginning net assets (applied to all contracts not completed as of June 30, 2019, which related primarily to graduate program summer terms) for the year ended June 30, 2020 was a reduction of \$277,143. Contract assets and contract liabilities are included within accounts receivable and deferred tuition revenue, respectively, within the consolidated statements of financial position for the years ended June 30, 2021 and 2020.

The College's student service contracts do not have any material significant financing components or contract costs associated with them. Accordingly, no applicable practical expedients elections were made for such items.

Judgements

The College earns revenue primarily through on-campus instruction in the form of tuition and fees. The College's student population consists of approximately 1000 undergraduate students and 250 graduate students. The majority of students are from South Carolina and its surrounding states and come from diverse economic backgrounds. As a result, the College's student enrollment and/or each student's ability to pay tuition and fees may be impacted by the economy and school competition (both private and public) in this geographic area.

The College recognizes tuition and fees revenue ratably over the applicable academic term. The College also earns revenue through auxiliary enterprises and other sources. These sources of revenue can be disaggregated by whether there is a contract with a student or non-student, or if there is no contract. The College recognizes non-student contracts based on the date of the event or when the service is provided.

The College recognizes revenue from contracts with students over the academic term during which their courses are offered. Each course has a set beginning and ending date. Revenue is recognized over time based on the number of days that have elapsed for each course.

Certain contracts with students may include variable consideration in the form of tuition discounts, scholarships or institutional aid. For any such contracts, the transaction price only includes tuition and fees net of the awarded tuition discounts, scholarships or institutional aid. Historically, the College has not experienced material withdrawals, refunds, or uncollectible amounts, which would represent other variable consideration under ASC 606.

Presbyterian College

Notes to Consolidated Financial Statements

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to a customer and is the unit of account under ASC 606. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The College does not capitalize contract costs.

The performance obligations related to contracts with students involves providing instruction, housing and dining (if applicable), and access to the College's facilities and services throughout the contract term. As a result, the performance obligation is satisfied over time ratably throughout each contract's applicable period.

The College enters into contracts that include various combinations of services, which are generally capable of being distinct and are accounted for as separate performance obligations.

Revenue is recognized in an amount that reflects the consideration the College expects to receive in exchange for its services. Arrangements may include variable consideration in the form of tuition discounts, scholarships, or institutional aid. For any such arrangements, the transaction price only includes tuition and fees net of the awarded discounts or institutional aid. Refunds and withdrawals have been deemed immaterial.

Contract Payment Terms

Before the beginning of each term, students are presented with the total amount due. Students are required to have satisfactory financial arrangements in place or have paid the balance in full by the College's published due date. As part of the check-in process, arrangements are reviewed by the student accounts office to ensure the student has completed all necessary financial steps. Satisfactory arrangements may include delaying all or a portion of the balance due by enrollment in a payment plan. The payment dates are detailed in the payment plan agreement. The College does not consider the payment plan participation fees for this option a significant financing component.

Definition of Nonoperating Activities

The College has defined nonoperating activities to include contributions added to the endowment, contributions supporting capital purchases, contributions and other activity related to annuity and trust agreements, and endowment income, gains and losses, net of amounts distributed to support operations in accordance with the spending policy.

Expense Allocation

The costs of providing various programs and activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses of the College include:

Program services expenses - Program services expenses include the costs of providing instruction, academic support, student and other academic and related services to the College's students.

Presbyterian College

Notes to Consolidated Financial Statements

Management and general expenses - Management and general expenses include the general, administrative, and operating costs of the College.

Fundraising expenses - Fundraising expenses include direct and indirect activities undertaken to solicit contributions from donors.

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll and benefits, which are allocated based on time and effort; depreciation, occupancy and debt service are allocated based on square footage. The remainder of expenses are allocated based on direct costs to programs with the remainder allocated to management and general.

Income Taxes

The Internal Revenue Service has determined the College, PCREF and the Foundation are all exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). Due to this determination, the College, PCREF and the Foundation are also exempt from state income taxes. The College is subject to federal and state income tax on its net unrelated business income. Management believes that any income tax liability resulting from unrelated business income for the years ended June 30, 2021 and 2020 would not have a significant impact on the College's results of activities. The College adopted the provisions of the Financial Accounting Standards Board ("FASB") guidance on income taxes related to the accounting for uncertainty in income taxes. This guidance clarifies accounting for uncertainty in a tax position taken or expected to be taken by an entity and hence in the income taxes recognized in the consolidated financial statements.

Essentially, the College would record a liability if it took a position regarding taxes due that was likely to be disputed and had a reasonable chance of being overruled by a taxing authority. Management believes there are no such positions as of June 30, 2021 or 2020 and accordingly, no liability has been accrued. The College is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Concentration of Credit Risk

Financial instruments that potentially subject the College to significant concentrations of credit risk consist principally of deposits of cash, cash equivalents, and investments in financial institutions in excess of the applicable government insurance limits of \$250,000 per cash account. Aggregate cash and cash equivalent balances maintained at financial institutions, at times, exceed the amount guaranteed by federal agencies, but the College has not experienced any loss due to this risk. Financial instruments that potentially subject the College to market risk consist primarily of investments. The College attempts to mitigate this risk by following its investment policy which requires the investment portfolio to be diversified across industries and geographic regions.

Concentration of credit risk with respect to accounts and notes receivables pertain mainly to students. These receivables are limited in risk due to the high volume of students, those who pay in advance, and those who receive grants and loans to cover tuition and related expenses.

Presbyterian College

Notes to Consolidated Financial Statements

Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standard Update (“ASU”) 2016-02, *Leases* (“ASU 2016-02”). The new standard establishes a right-of use (“ROU”) model that requires a lessee to record a ROU asset and liability on the consolidated statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statement of activities. The amendments will be effective for the College for the year ended June 30, 2023, with early adoption permitted. Upon adoption, lessees and lessors will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that entities may elect to apply. The College is currently in the process of evaluating the impact of adoption of this guidance on its consolidated financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for Profit Entities for Contributed Nonfinancial Assets* (“ASU 2020-07”), to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations through enhancements to presentation and disclosure. ASU 2020-07 was issued to address certain stakeholders’ concerns about the lack of transparency about the measurement of contributed nonfinancial assets recognized by not-for-profits, as well as the amount of those contributions used in an entity’s programs and other activities. Under the standard, contributed nonfinancial assets will be presented as a separate line in the consolidated statement of activities apart from contributions of cash and other financial assets and disclosures will be required regarding the contributed nonfinancial assets. ASU 2020-07 is effective for annual reporting periods beginning after June 15, 2021 and should be applied on a retrospective basis. The College is evaluating the effect that ASU 2020-07 will have on its consolidated financial statements and related disclosures.

Change in Accounting Principle

In May 2014, the Financial Accounting and Standards Board (“FASB”) issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* (“ASU 2014-09”). The amendments in ASU 2014-09 affect any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards. This ASU will supersede the revenue recognition requirements in *Topic 605, Revenue Recognition*, and most industry-specific guidance, and creates a *Topic 606, Revenue from Contracts with Customers*. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities* (“ASU 2020-05”), which allowed certain entities to defer the effective date of ASU 2014-09 until fiscal years beginning after December 15, 2019. During the year ended June 30, 2021, the College adopted ASC 606 using the full retrospective approach. See “Revenue Recognition” section of Note 2 above for additional information over the adoption of ASU 2014-09.

Presbyterian College

Notes to Consolidated Financial Statements

The following table shows the adjustments required to present certain June 30, 2020 consolidated financial statement contract balances in accordance with ASU 2014-09:

	Legacy GAAP	Adjustments	As Presented
Deferred tuition revenue	\$ -	\$ 732,888	\$ 732,888
Beginning net assets	141,819,955	(277,143)	141,542,812
Student tuition and fees	22,430,512	(455,745)	21,974,767
Ending net assets	139,053,349	(732,888)	138,320,461

Reclassifications

Certain items in the 2020 consolidated financial statements have been reclassified to conform to the 2021 presentation. There was no modification to changes in net assets as a result of the reclassifications.

3. Presbyterian College Real Estate Foundation

PCREF exists to support Presbyterian College strategically reinvesting in its physical campus infrastructure. On September 20, 2018, PCREF and the College entered into an agreement whereby PCREF acquired capital assets with a net book value of approximately \$37,300,000 and assumed responsibility for the outstanding balance of the College's Series 2015 Revenue Bonds which approximated \$30,900,000.

Subsequently, PCREF was approved for a loan from the United States Department of Agriculture ("USDA") Rural Development Loan Program to liquidate the Series 2015 Revenue Bonds it assumed from the College, construct a 144 bed student housing facility and renovate three existing buildings on campus. On September 20, 2018, the USDA issued a Guide 1A to Synovus Bank authorizing interim financing for the projects. As a result, Synovus Bank issued the \$60,420,000 Economic Revenue Bond Series 2018, which had outstanding balances of \$0 and \$55,788,863 at June 30, 2021 and 2020 respectively.

On December 10, 2020, the USDA Rural Development Loan was executed with proceeds being used to liquidate the Economic Revenue Bond Series 2018. See Note 10 for additional information on long-term debt.

Presbyterian College

Notes to Consolidated Financial Statements

4. Availability and Liquidity

Financial assets available for general expenditure, that are without donor or other restrictions limiting their use within one year of the consolidated statement of financial position date, are comprised of the following at:

<i>June 30,</i>	2021	2020
Assets at year end	\$ 237,404,295	\$ 209,385,132
Less amounts not available to be used within one year due to illiquidity:		
Prepaid expenses	(443,874)	(430,786)
Life insurance, cash surrender value	(382,750)	(345,612)
Property and equipment, net	(89,802,348)	(86,297,871)
Collections	(3,763,877)	(3,763,877)
Less amounts not available to be used within one year due to:		
Contractual or donor-imposed restrictions:		
Contributions receivable from trusts	(870,089)	(827,492)
Notes receivable, net of current portion	(514,520)	(656,271)
Endowed funds with donor restrictions, net of spendable amounts and administrative fees	(105,354,171)	(83,870,993)
Board/donor designations:		
Contributions receivable, net of current portion	(1,180,229)	(1,850,944)
Trust fund assets	(6,294,895)	(5,069,026)
Restricted amounts that may not be used within one-year for capital purchases, net of spendable amounts and administrative fees	(2,072,044)	(3,735,858)
Financial assets available to meet cash needs for general expenditures within one year	\$ 26,725,498	\$ 22,536,402

As part of its liquidity plan, the College has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due. The College invests excess cash in short-term investments and has the ability to redeem certain investments as necessary to meet its obligations. Furthermore, the Board may designate amounts to be used for operations as necessary to meet obligations.

Presbyterian College

Notes to Consolidated Financial Statements

5. Fair Value Measurements and Fair Value of Financial Instruments

Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the College has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Net Asset Value ("NAV") - Represents the College's ownership in certain alternative investments. As a practical expedient, the College uses its ownership interest in the NAV to determine the fair value of the alternative investments that do not have a readily determinable fair value and have financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. This practical expedient is not used when it is determined to be probable the fund will sell the investment for an amount different than the reported NAV.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at June 30, 2021 or 2020.

Cash and cash equivalents: Valued at cost which approximates fair value.

Equity securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds, real estate investment trusts ("REITs"), and exchange traded funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the College are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds

Presbyterian College

Notes to Consolidated Financial Statements

are required to publish their daily NAV and to transact at that price. The mutual funds held by the College are deemed to be actively traded.

Fixed income securities: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Other: Valued at estimated fair value. Other investments include cash surrender value of life insurance and other assets whose costs approximate fair value and, therefore, are reported as Level 2 in the hierarchy.

Limited partnerships: Valued at NAV as provided by the custodian.

Trust fund assets: Valued at NAV of units held by the trust agreements at year end using closing prices reported in the active market.

Contributions receivable from trusts: Valued at present value of estimated future payouts over the expected life of the donor. Discount and growth rates used in the calculation are determined by management based on relevant industry and public source data.

Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts the College would realize in a current market exchange.

A reasonable estimate of the fair value of the amounts receivable from students under government loan programs could not be made because the loans receivable are not saleable and can only be assigned to the U.S. government or its designees. The fair value of loan funds receivable from students under College loan programs approximates carrying value.

Assets	Fair Value at June 30, 2021			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 6,064,215	\$ -	\$ -	\$ 6,064,215
Equity securities	38,473,238	-	-	38,473,238
Mutual funds	27,394,887	-	-	27,394,887
Fixed income securities	-	17,108,698	-	17,108,698
REITs and exchange traded funds	3,753,861	-	-	3,753,861
Other	-	382,750	-	382,750
Total assets in the fair value hierarchy	\$ 75,686,201	\$ 17,491,448	\$ -	93,177,649
Investments measured at NAV (a)				16,622,396
Investments at fair value				\$109,800,045
Trust fund assets	\$ -	\$ 6,294,895	\$ -	\$ 6,294,895
Contributions receivable from trusts	\$ -	\$ -	\$ 870,089	\$ 870,089

Presbyterian College

Notes to Consolidated Financial Statements

Assets	Fair Value at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 3,082,741	\$ -	\$ -	\$ 3,082,741
Equity securities	28,695,403	-	-	28,695,403
Mutual funds	19,999,596	-	-	19,999,596
Fixed income securities	-	17,159,838	-	17,159,838
REITs and exchange traded funds	4,121,436	-	-	4,121,436
Other	-	345,612	-	345,612
Total assets in the fair value hierarchy	\$ 55,899,176	\$ 17,505,450	\$ -	73,404,626
Investments measured at NAV (a)				13,765,268
Investments at fair value				\$ 87,169,894
Trust fund assets	\$ -	\$ 5,069,026	\$ -	\$ 5,069,026
Contributions receivable from trusts	\$ -	\$ -	\$ 827,492	\$ 827,492

(a) Certain investments measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

The table below sets forth a summary of changes in the fair value of the College's Level 3 assets:

For Year Ended June 30,	2021	2020
Beginning balance	\$ 827,492	\$ 994,703
Distributions	(37,865)	(17,280)
Unrealized and realized gains (losses)	80,462	(149,931)
Ending balance	\$ 870,089	\$ 827,492

Presbyterian College

Notes to Consolidated Financial Statements

The following tables set forth a summary of the College's investments reported at NAV as a practical expedient to estimate fair value at June 30:

Classification	2021			
	NAV	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Limited partnerships:				
Equity long/short (a)	\$ 8,877,684	\$ -	Quarterly	90 days
Activist (b)	1,677,839	-	Quarterly	90 days
Distressed debt (c)	2,622,315	-	(c)	90 to 95 days
Direct lending (d)	1,252,811	785,509	(d)	(d)
Private capital secondary (e)	1,573,750	1,292,716	(e)	(e)
Merger arbitrage (f)	617,997	-	(f)	(f)
Total	\$16,622,396	\$ 2,078,225		

Classification	2020			
	NAV	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Limited partnerships:				
Equity long/short (a)	\$ 6,357,249	\$ -	Quarterly	65 days
Activist (b)	1,225,715	-	Quarterly	90 days
Distressed debt (c)	2,630,762	-	(c)	90 to 95 days
Direct lending (d)	1,752,397	1,020,553	(d)	(d)
Private capital secondary (e)	1,279,479	1,263,647	(e)	(e)
Merger arbitrage (f)	519,666	-	(f)	(f)
Total	\$ 13,765,268	\$ 2,284,200		

(a) Equity long/short includes funds that invest primarily in domestic and international companies across a broad spectrum of industries that take both long and short positions. Generally, the funds may be redeemed monthly to quarterly with restrictions for lock-up periods and redemption penalties within certain timeframes up to one year.

(b) Activist includes a fund whose goal is to create significant capital appreciation by adding value to public companies in which it invests. The fund seeks to identify and invest at attractive prices in public companies that are under-performing, under-managed, mis-capitalized, under-valued or otherwise have not maximized their potential. Redemptions are limited to 20% of fund NAV and will be satisfied in full within eight quarters.

(c) Distressed debt includes funds that invest primarily in distressed assets with the objective to generate attractive risk adjusted returns while emphasizing the preservation of capital. Redemptions are limited to between 12.5% and 20% of investor level NAV and will be satisfied in full within eight quarters.

Presbyterian College

Notes to Consolidated Financial Statements

(d) Direct lending includes a fund that invests primarily in senior secured loans to European middle market companies, focusing on directly originated opportunities to provide alternative financing solutions or supply capital as part of a more traditional bank-driven process. The fund is subject to a two-year minimum investment period after closing and a five-year term with the possibility of two one-year extensions.

(e) Private capital secondary includes a fund that invests primarily in pre-existing investor commitments to private equity and other alternative investment funds. The fund is subject to a ten-year minimum investment period after closing with the possibility of two one-year extensions.

(f) Merger arbitrage includes a fund whose goal is to create significant capital appreciation through all market cycles. The fund's goal is to capitalize on profits realized in price differences between amounts paid in corporate restructurings, mergers and acquisitions. Generally, the fund may be redeemed monthly to quarterly, subject to a one-year holding period. Redemption requests are required to be in writing at least 30 to 60 days prior to the redemption date.

Return on notes receivable, investments, and trust assets is summarized as follows:

<i>Year Ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Operating			
Interest and dividends	\$ 88,216	\$ 702	\$ 88,918
Less agent fees	(3,654)	-	(3,654)
Net realized (losses) gains	(4,412)	41,593	37,181
Total operating activities	\$ 80,150	\$ 42,295	\$ 122,445
Nonoperating			
Net realized gains	\$ 552,105	\$ 10,703	\$ 562,808
Change in value of split-interest agreements and charitable remainder trusts	6,330	1,262,135	1,268,465
Total nonoperating activities	\$ 558,435	\$ 1,272,838	\$ 1,831,273
Excess of investment returns over spending			
Interest and dividends	\$ 648,813	\$ 2,104,303	\$ 2,753,116
Less investment agent fees	(112,014)	(363,301)	(475,315)
Net realized gains	1,344,753	4,361,451	5,706,204
Net unrealized gains	3,893,696	12,628,462	16,522,158
Less endowment spending	(5,060,249)	(391,285)	(5,451,534)
Total excess of investment returns over spending	\$ 714,999	\$ 18,339,630	\$ 19,054,629

Presbyterian College

Notes to Consolidated Financial Statements

<i>Year Ended June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Operating			
Interest and dividends	\$ 213,551	\$ 2,500	\$ 216,051
Less agent fees	(33,308)	-	(33,308)
Net realized gains (losses)	66,137	(5,607)	60,530
Net unrealized gains	41,769	-	41,769
Total operating activities	\$ 288,149	\$ (3,107)	\$ 285,042
Nonoperating			
Net realized gains	\$ 10,623	\$ 40,952	\$ 51,575
Change in value of split-interest agreements and charitable remainder trusts	(2,113)	(207,219)	(209,332)
Total nonoperating activities	\$ 8,510	\$ (166,267)	\$ (157,757)
Excess of investment returns over spending			
Interest and dividends	\$ 1,925,767	\$ 146,318	\$ 2,072,085
Less investment agent fees	(392,084)	(29,791)	(421,875)
Net realized gains (losses)	2,185,059	(4,111,334)	(1,926,275)
Net unrealized gains	601,538	45,706	647,244
Less endowment spending	(4,800,745)	(455,676)	(5,256,421)
Total excess of investment returns over spending	\$ (480,465)	\$ (4,404,777)	\$ (4,885,242)

6. Contributions Receivable, Net

The following tables summarize contributions receivable, net at:

<i>June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Due within one year	\$ 271,182	\$ 1,199,314	\$ 1,470,496
Due after one year	135,000	1,155,700	1,290,700
Contributions receivable, gross	\$ 406,182	\$ 2,355,014	2,761,196
Less: present value discount (range from 0.66% to 2.85%)			(61,355)
Less: allowance for uncollectible contributions receivable			(130,309)
Contributions receivable, net			\$ 2,569,532

Presbyterian College

Notes to Consolidated Financial Statements

<i>June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Due within one year	\$ 402,680	\$ 1,199,387	\$ 1,602,067
Due after one year	251,000	1,776,317	2,027,317
Contributions receivable, gross	\$ 653,680	\$ 2,975,704	3,629,384
Less: present value discount (range from 0.66% to 2.85%)			(92,840)
Less: allowance for uncollectible contributions receivable			(162,720)
Contributions receivable, net			\$ 3,373,824

As of June 30, 2021 and 2020, contributions receivable, gross includes \$1,105,000 and \$532,784, respectively, in written promises to give from members of the Board of Trustees and \$0 and \$1,055, respectively, from Officers of the College.

7. Property, Plant, and Equipment, Net

The following is a summary of property, plant, and equipment, net as of:

<i>June 30,</i>	2021	2020
Land and building improvements	\$ 5,460,871	\$ 5,408,974
Buildings	124,892,175	117,264,303
Buildings under capital leases	444,638	444,638
Equipment under capital leases	983,605	92,196
Equipment	15,742,532	14,040,978
Library books	4,841,917	4,983,386
Construction-in-progress	3,402,362	6,906,195
Property, plant, and equipment, gross	155,768,100	149,140,670
Less: accumulated depreciation	(65,965,752)	(62,842,799)
Property, plant, and equipment, net	\$ 89,802,348	\$ 86,297,871

Depreciation expense of \$3,443,096 and \$2,892,357 was recorded for the years ended June 30, 2021 and 2020, respectively. Interest expense capitalized was \$129,660 and \$565,461 for the years ended June 30, 2021 and 2020.

8. Trust Fund Assets

The College is a beneficiary under the terms of various trusts. The trust fund assets of \$6,294,895 and \$5,069,026, at June 30, 2021 and 2020, respectively, represent the College's portion of irrevocable trusts where others are trustees and the College has rights to receive distributions of the trust assets.

Presbyterian College

Notes to Consolidated Financial Statements

9. Capital and Operating Leases

The College has a capital lease with the Clinton Economic Development Corporation for the land and building housing the Pharmacy School with a term exceeding 50 years. The College has the following leases for equipment: a six-year lease for a telephone system, including related peripheral equipment; a five-year lease for copiers; a five-year lease for a firewall and related equipment; and a three-year lease for classroom projectors. The cost of the assets acquired under capital leases, approximately \$1,701,000, is included in property, plant, and equipment, net in the accompanying consolidated statements of financial position. Accumulated depreciation on assets acquired under capital lease as of June 30, 2021 and 2020 was \$342,510 and \$229,399, respectively.

The College leases certain equipment under operating lease agreements. Operating lease payments totaled \$36,746 and \$121,670 for the years ended June 30, 2021 and 2020, respectively. The leases require the College to pay insurance, maintenance, and property taxes on the leased equipment.

Future minimum lease payments under capital leases as of June 30, 2021 are as follows:

<i>Year Ending June 30,</i>	Amount
2022	\$ 280,025
2023	242,944
2024	217,264
2025	206,138
2026	57,956
Thereafter	934,559
Total minimum lease payments	1,938,886
Less: interest portion	(554,315)
Present value of minimum lease payments	\$ 1,384,571

Presbyterian College

Notes to Consolidated Financial Statements

10. Long-term debt, Net

Long-term debt payable consists of the following at:

<i>June 30,</i>	2021	2020
\$60,420,000 SC Jobs - Economic Development Authority; Economic Revenue Bond Series 2018; fixed interest rate of 2.95%. See Note 3.	\$ -	\$ 55,788,863
Note payable to Synovus Bank dated September 21, 2018; fixed interest rate of 4.25%; annual principal payments of \$500,000; interest payable monthly. The note matures on September 21, 2021; collateralized by contributions receivable.	-	721,958
Note payable to Synovus Bank dated September 21, 2018 later modified on July 1, 2020; fixed interest rate of 4.25%; interest only payments due monthly until June 1, 2022; beginning July 1, 2022, monthly principal and interest payments of \$33,742 are due with a balloon payment of \$1,487,036 due at maturity on July 1, 2025. The note is not secured.	2,447,912	2,447,912
Note payable to USDA dated December 10, 2020; fixed interest rate of 2.125%; interest only payment due December 10, 2021, with monthly principal and interest payments beginning January 10, 2022. The note matures on December 10, 2058; collateralized by 44.2 acres of real property.	54,030,485	-
Note payable to Synovus Bank dated December 10, 2020; guaranteed by USDA; fixed interest rate of 2.41% for the first 60 months and then adjusted every 60 months until maturity; monthly principal and interest payments of \$26,276 with final payment due December 10, 2040; collateralized by 44.2 acres of real property.	4,899,265	-
Long-term debt, gross	61,377,662	58,958,733
Less: unamortized debt issuance costs	(1,114,340)	(1,011,758)
Long-term debt, net	\$ 60,263,322	\$ 57,946,975

The College incurred interest expense of \$1,491,777 and \$1,036,058 for the years ended June 30, 2021 and 2020, respectively.

Presbyterian College

Notes to Consolidated Financial Statements

The SC Jobs Bonds, which were extinguished during the year ended June 30, 2021, were secured by the College's gross revenues, accounts receivable, designated contributions, and bond-related funds. The bond agreement specified two financial covenants, to be measured each year at June 30, in the form of ratios: (1) a liquidity ratio and (2) a debt service coverage ratio. As of June 30, 2020, management was not aware of any violations of the covenants. Given that the original SC Jobs Bonds were set up to serve as bridge funding prior to finalization of the 2021 USDA note payable, the debt issuance costs, including amortization to date, related to the SC Jobs Bonds were not written off with the extinguishment of debt since these costs also related to the 2021 USDA note payable.

Principal payments on long-term debt for the next five years and thereafter as of June 30, 2021 are as follows:

<i>Year Ending June 30,</i>	Amount
2022	\$ 685,198
2023	1,498,949
2024	1,538,195
2025	1,579,177
2026	2,759,656
Thereafter	53,316,487
Total	\$ 61,377,662

Presbyterian College

Notes to Consolidated Financial Statements

11. Net Assets with Donor Restrictions

The amounts included as net assets with donor restrictions consist of the following:

<i>June 30,</i>	2021	2020
Purpose or time restricted net assets		
Instructional	\$ 2,010,195	\$ 1,862,110
Library	253,903	508,672
Academic support	9,718	6,117
Student services	1,364,626	1,218,115
Institutional support	66,406	580,232
Scholarships and fellowships	63,778	77,739
Pharmacy operations	616,746	499,003
Capital projects	2,072,044	3,735,858
General operations	6,969,555	5,644,583
Accumulated investment gains (losses) on endowed assets	9,514,560	(8,825,070)
Total purpose or time restricted net assets	22,941,531	5,307,359
Perpetual endowments		
Endowments	95,839,611	92,696,063
Net assets with donor restrictions	\$ 118,781,142	\$ 98,003,422

12. Net Assets Released from Restrictions

Net assets with donor restrictions which were satisfied or expired consisted of the following:

<i>Year Ended June 30,</i>	2021	2020
Instructional	\$ 390,896	\$ 405,606
Library	260,009	141,247
Academic support	-	202
Student services	363,495	559,361
Institutional support	549,151	39,582
Scholarships and fellowships	16,770	101,093
Pharmacy operations	23,757	101,828
Capital projects	3,043,553	209,879
Other	-	12,412
Total net assets released from restrictions	\$ 4,647,631	\$ 1,571,210

Presbyterian College

Notes to Consolidated Financial Statements

13. Endowment

The College's endowment consists of approximately 750 individual funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments (the "quasi endowment funds"). Net assets associated with endowment funds, including the quasi endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees of the College has interpreted the South Carolina Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulation to the contrary. As a result of this interpretation, the College classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Any portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the College in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the College and the Board of Trustees consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund;
2. The purposes of the College and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the College; and
7. The investment policies of the College.

Endowment net assets consist of the following at:

<i>June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 95,839,611	\$ 95,839,611
Accumulated investment gains	-	9,514,560	9,514,560
Board-designated endowment funds	5,495,720	-	5,495,720
Total endowed net assets	\$ 5,495,720	\$ 105,354,171	\$ 110,849,891

Presbyterian College

Notes to Consolidated Financial Statements

<i>June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 92,696,063	\$ 92,696,063
Accumulated investment losses	-	(8,825,070)	(8,825,070)
Board-designated endowment funds	4,228,616	-	4,228,616
Total endowed net assets	\$ 4,228,616	\$ 83,870,993	\$ 88,099,609

Changes in endowment net assets consisted of the following for the years ended June 30, 2021 and 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2019	\$ 9,174,582	\$ 82,358,841	\$ 91,533,423
Investment return			
Investment income, net	1,533,683	116,528	1,650,211
Net appreciation (depreciation)	2,786,597	(4,065,629)	(1,279,032)
Total investment return	4,320,280	(3,949,101)	371,179
Cash contributions	-	1,009,025	1,009,025
Appropriation for expenditure	(4,800,745)	(455,676)	(5,256,421)
Transfers ^(a)	(4,465,501)	4,465,501	-
Other	-	442,403	442,403
Endowment net assets, June 30, 2020	\$ 4,228,616	\$ 83,870,993	\$ 88,099,609
Investment return			
Investment income, net	536,798	1,741,003	2,277,801
Net appreciation	5,238,450	16,989,912	22,228,362
Total investment return	5,775,248	18,730,915	24,506,163
Cash contributions	552,105	3,143,548	3,695,653
Appropriation for expenditure	(5,060,249)	(391,285)	(5,451,534)
Endowment net assets, June 30, 2021	\$ 5,495,720	\$ 105,354,171	\$ 110,849,891

^(a) The College conducted a review of endowments during the year ended June 30, 2020. As a result, the College determined there were certain quasi endowment funds that should be reclassified after additional review and interpretation of the donor agreements. As such, these endowments and respective cumulative earnings were reclassified from endowments without donor restrictions to endowments with donor restrictions.

Presbyterian College

Notes to Consolidated Financial Statements

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donor or UPMIFA requires the College to retain as a fund of perpetual duration (the “underwater endowments”). The College has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. As of June 30, 2021, funds with original gift values of \$40,913,449, fair values of \$34,123,052, and deficiencies of \$6,380,397 were reported in net assets with donor restrictions. At June 30, 2020, funds with original gift values of \$70,185,280, fair values of \$55,308,013, and deficiencies of \$14,877,268 were reported in net assets with donor restrictions.

Return Objectives and Risk Parameters

The College has adopted investment and spending policies for endowment assets that attempt to balance risk and return. Endowment assets include those donor-restricted assets the College must hold in perpetuity or for a specified period of time as well as the quasi endowment funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that achieve a rate of return of approximately inflation plus spending rate while avoiding excess risk.

Strategies Employed for Achieving Objectives

Under the direction of the Endowment Subcommittee of the Board of Trustees, the College employs professional managers investing across a diversified range of assets and regions. The College also employs an independent investment consultant. The consultant provides information and recommendations to the Board of Trustees on manager performance, attribution of performance versus strategies for which managers were hired, and modeling to help the Board of Trustees fulfill its responsibilities under UPMIFA.

Spending Policy

The College applies a Board-approved spending rate to the average market value for the twelve quarters ended each December 31 to compute the dollars to budget for the upcoming fiscal year starting on July 1. In addition, the College maintains a cap of spending no more than 7.5% of the market value of the endowment unless the entire Board of Trustees votes to lift the cap due to extraordinary circumstances. The spending rate for the years ended June 30, 2021 and 2020 was 6%. The Board, based on an assessment of the standards of prudence in UPMIFA, has allowed continued spending even though the fair value of the investments is less than the aggregate amount of the gifts to an endowment, unless specifically prohibited by the donor.

14. Employee Benefit Plans

After meeting certain eligibility requirements, employees may participate in the College’s 403(b) plan provided through the Teachers Insurance and Annuity Association - College Retirement Equities Fund. The College contributes an amount equal to 0% to 7.65% of the salary of each participating employee to the defined contribution plans. The College’s contributions for the years ended June 30, 2021 and 2020 were \$0 and \$1,114,920, respectively.

The College maintains a fully insured insurance plan for employee health and medical expenses. As part of this plan, the College provides coverage for all full-time employees and offers supplemental spouse and dependent care coverage. The College paid \$1,809,049 and \$1,842,713 for employee health insurance premiums for the years ended June 30, 2021 and 2020, respectively.

Presbyterian College

Notes to Consolidated Financial Statements

15. Commitments, Contingencies, Risks, and Uncertainties

Contractual Commitments

The College entered into a ten-year contract with Aramark Educational Services, LLC (“Aramark”) for campus food service effective July 1, 2016. The contract required Aramark to pay the College \$2,300,000 to fund certain capital projects. During the year ended June 30, 2017, the College received approximately \$2,100,000 from the contract for completion of related capital projects. The unearned revenue will be amortized over the life of the contract, and in the case of early termination, the unamortized portion will be returned to Aramark. As of June 30, 2021 and 2020, the unamortized portion was \$1,160,199 and \$1,405,252, respectively, and is included in other liabilities on the consolidated statements of financial position.

Litigation

Various legal proceedings and/or claims arising in the ordinary course of business are pending against the College. In the opinion of management, the ultimate liability, if any, from all pending legal proceedings and claims would not materially affect the College’s financial position or the results of its operations.

Financial Aid

Federal and state funded financial aid programs are routinely subject to special audits. Such audits could result in claims against the resources of the College. Since the College does not expect claims to arise as a result of such audits, no provision for liabilities has been provided in the consolidated financial statements.

16. COVID-19 and Related Funds

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. As a result of the COVID-19 outbreak, in March 2020, the College elected to close its campus, including housing and dining facilities. Due to this closure, auxiliary services revenue was reduced by approximately \$675,000 for the year ended June 30, 2020, due to credits issued to students’ accounts related to housing and dining services. In addition, overall earnings on investments and endowment balances were impacted by the financial market conditions created by the emergence of the COVID-19 pandemic for the year ending June 30, 2020.

On March 27, 2020, the President signed into law the “Coronavirus Aid, Relief, and Economic Security (“CARES”) Act. The CARES Act, among other things, includes funds for the Higher Education Emergency Relief Fund (“HEERF”). The College leveraged grant funding from the CARES Act and other sources to support operations and public service initiatives. During the year ended June 30, 2020, the College was allocated HEERF funding in the total amount of approximately \$1,038,000 related to relief efforts in light of the COVID-19 outbreak. No less than 50% of the grant was to be utilized for direct emergency aid to students. As of June 30, 2020, the College distributed \$519,000 of the HEERF grant to students. As the College acts as a pass-through entity for these funds, the funds were not accounted for in the College’s consolidated statement of activities. The College recognized the remaining 50% of the grant that was allocated to the institution, as allowed by

Presbyterian College

Notes to Consolidated Financial Statements

Sections 18004(a)(1) and 18004(c) of the CARES Act, which can be used as reimbursement for expenditures incurred due to the COVID-19 outbreak or foregone revenue related to the pandemic. During the year ended June 30, 2020, the College recognized government grants and contracts revenue of approximately \$519,000 for the institutional portion of the HEERF grant. These funds were utilized to reimburse the College for allowable forgone revenue. These funds were expended in compliance with the federal grant requirements.

On December 27, 2020, the President signed the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 ("CRRSAA") which includes additional funds to be distributed to institutions of higher education through the Higher Education Emergency Relief Fund II ("HEERF II"). During the year ended June 30, 2021, the College was allocated a total \$1,506,000 in CRRSAA HEERF II funding, of which \$519,000 was distributed as emergency aid to students. As the College acts as a pass-through entity for these funds, the funds were not accounted for in the College's consolidated statement of activities. During the year ended June 30, 2021, the College recognized government grants and contracts revenue of approximately \$987,000 for the institutional portion of the HEERF II grant that was utilized to reimburse the University for expenditures incurred due to its response to the COVID-19 outbreak or related forgone revenue. These funds were expended in compliance with the federal grant requirements.

On March 11, 2021, the Higher Education Emergency Relief Fund III ("HEERF III") was authorized by the American Rescue Plan, Public Law 117-2. During the year ended June 30, 2021, the College was allocated approximately \$1,333,000 under the HEERF III to provide funding to the College for expenditures incurred due to its response to the COVID-19 outbreak or related forgone revenue. The College did not submit a request for reimbursement of eligible expenditures under HEERF III until July 2021, and as such, these allocations have not been reflected in the consolidated financial statements as of June 30, 2021.

During April 2020, the College entered into a loan with a financial institution pursuant to the Paycheck Protection Program (the "PPP Loan") under the CARES Act. As of June 30, 2020, the \$4,530,705 PPP Loan was unsecured and guaranteed by the United States Small Business Administration and was included as a refundable advance balance within the consolidated statement of financial position. During fiscal year June 30, 2021, the College applied for and received forgiveness of the entire loan balance, and as such, the balance is included in gain on extinguishment of refundable advance within the consolidated statement of activities for the year ended June 30, 2021. The loan was forgiven in accordance with the terms of the CARES Act for eligible payroll costs, rent and mortgage obligations, and utility payments incurred by the College during the applicable period beginning on the date the funds were received.

As of the date of this report, the College has begun the Fall 2021 semester with on campus in-person instruction. At this time, enrollment has declined approximately 5% from the Fall semester of the prior year. The College has put into place contingency plans which include preparation of vacant residence hall space to be used for quarantine purposes, a health coordinator, as well as an agreement with a clinic near the campus to assist with health concerns. Management has also worked with various vendors (i.e. food services) on contingency plans in the event there is another mandatory shutdown of the campus. In addition, management has implemented several other cost reduction measures. Management continues to monitor the impact of the pandemic and is poised to take additional actions as deemed necessary.

Presbyterian College

Notes to Consolidated Financial Statements

17. Subsequent Events

Management has evaluated subsequent events and their potential effects on these consolidated financial statements from June 30, 2021 (the date the consolidated statement of financial position presented) through November 5, 2021 (the date the audit report and the date these consolidated financial statements were available to be issued). No material matters requiring disclosure were identified.

Supplementary Information

Presbyterian College

Title IV Strength Factor Score June 30, 2021

Reference	Ratio/Variable Description	Data	Strength Factor	Strength Factor Calculation	Strength Factor Weight	Weighted Strength Factor
Primary Reserve Ratio						
Consolidated Statement of Financial Position	Net assets without donor restrictions	+ \$ 48,942,046				
Consolidated Statement of Financial Position	Net assets with donor restrictions	+ 118,781,142				
Note 13	Net assets with donor restrictions: restricted in perpetuity	- 95,839,611				
NA	Annuities, term endowment, and life income funds with donor restrictions	-				
NA	Intangible assets	-				
Consolidated Statement of Financial Position and Note 7	Net property, plant & equipment (See Note A to this schedule)	- 89,802,348				
NA	Post-employment and defined benefit pension liabilities	+				
Consolidated Statement of Financial Position and Note 7	All debt obtained for long-term purposes, not to exceed net property, plant and equipment (See Note B to this schedule)	+				
Note 6	Unsecured related-party receivable	+ 60,263,322				
		- 1,105,000				
	Numerator total	\$ 41,239,551				
Consolidated Statement of Activities - Total operating expenses plus nonoperating expenses	All expenses and losses without donor restrictions less any losses without donor restriction on investments, post-employment and defined benefit pensions, and annuities	+ \$ 44,303,210	10.00	3.00	0.40	1.20
	Denominator total	\$ 44,303,210				
	Primary Reserve Ratio:	0.931				
Equity Ratio						
Consolidated Statement of Financial Position	Net assets without donor restrictions	+ \$ 48,942,046				
Consolidated Statement of Financial Position	Net assets with donor restrictions	+ 118,781,142				
NA	Intangible assets	-				
Note 6	Unsecured related-party receivable	- 1,105,000				
	Numerator total	\$ 168,828,188				
Consolidated Statement of Financial Position	Total assets	+ \$ 237,404,295				
NA	Intangible assets	-				
Note 6	Unsecured related-party receivables	- 1,105,000				
	Denominator total	\$ 236,299,295				
	Equity Ratio:	0.714	6.00	3.00	0.40	1.20
Net Income Ratio						
Consolidated Statement of Activities	Change in net assets without donor restrictions	\$ 8,625,007				
	Numerator total	\$ 8,625,007				
Consolidated Statement of Activities - Total operating revenues plus nonoperating revenues less revenues from endowment for expenditure	Total revenues without donor restriction, including net assets released from restrictions and gains	+ \$ 47,867,968				
Note 13 - Appropriation from endowment for expenditure		\$ 47,867,968				
	Denominator total	0.180	1 + (50x)	3.00	0.20	0.60
	Net Income Ratio:					3.0

Presbyterian College

Notes to Title IV Strength Factor Score

June 30, 2021

Note A. Property, Plant and Equipment, Net

June 30, **2021**

Pre-Implementation	
Net property, plant and equipment	\$ 59,227,811
Post-Implementation	
Net property plant and equipment - With outstanding debt for original purchase	25,208,806
Net property plant and equipment - Without outstanding debt for original purchase	1,963,369
Construction in process	3,402,362
Total property and equipment	\$ 89,802,348

The above total includes property plant and equipment assets purchased through capital leases.

Note B. Long-Term Debt for Long-Term Purposes

June 30, **2021**

Long term debt for long term purposes - pre-implementation	\$ 46,670,882
Long term debt for long term purposes - post-implementation	13,592,440
Capital lease liabilities	1,384,571
Total long-term debt for long-term purposes	\$ 62,111,096

Long term debt exceeds twelve months and was used to fund capitalized assets (i.e., property, plant and equipment or capitalized expenditures in accordance with accounting standards generally accepted in the United States of America).

Presbyterian College

Consolidating Statement of Financial Position

June 30, 2021

	College	PC Foundation	PC Real Estate Foundation	Eliminations	Total
Assets					
Cash and cash equivalents	\$ 21,276,697	\$ -	\$ 629,020	\$ -	\$ 21,905,717
Accounts receivable, net	906,246	-	-	-	906,246
Contributions receivable, net	2,569,532	-	-	-	2,569,532
Notes receivable, net accounts of \$9,500	600,606	-	-	-	600,606
Investments	109,800,045	-	-	-	109,800,045
Collections	3,763,877	-	-	-	3,763,877
Trust fund assets	6,294,895	-	-	-	6,294,895
Contributions receivable from trusts	757,686	-	112,403	-	870,089
Prepaid expenses and other assets	890,940	-	-	-	890,940
Property, plant, and equipment, net	31,927,518	-	57,874,830	-	89,802,348
Total assets	\$ 178,788,042	\$ -	\$ 58,616,253	\$ -	\$ 237,404,295
Liabilities and Net Assets					
Liabilities					
Accounts payable	\$ 974,194	\$ -	\$ 169,169	\$ -	\$ 1,143,363
Accrued expenses	2,768,403	-	568,993	-	3,337,396
Deferred tuition revenue	1,226,382	-	-	-	1,226,382
Other liabilities	1,862,870	-	-	-	1,862,870
Capital lease obligation	1,384,571	-	-	-	1,384,571
Long-term debt	2,396,663	-	57,866,659	-	60,263,322
Advances from Federal government	463,203	-	-	-	463,203
Total liabilities	11,076,286	-	58,604,821	-	69,681,107
Net Assets					
Without donor restrictions					
Undesignated	15,119,442	-	172,430	-	15,291,872
Designated by the Board for endowment	5,495,719	-	-	-	5,495,719
Invested in property and equipment, net of related debt	28,315,453	-	(160,998)	-	28,154,455
Total without donor restrictions	48,930,614	-	11,432	-	48,942,046
With donor restrictions	118,781,142	-	-	-	118,781,142
Total net assets	167,711,756	-	11,432	-	167,723,188
Total liabilities and net assets	\$ 178,788,042	\$ -	\$ 58,616,253	\$ -	\$ 237,404,295

Presbyterian College
Consolidating Statement of Activities
Year Ended June 30, 2021

	College	PC Foundation	PC Real Estate Foundation	Eliminations	Total
Net assets without donor restrictions					
Operating revenues and support					
Tuition and fees, net of \$26,594,077 in scholarships	\$ 22,214,388	\$ -	\$ -	\$ -	\$ 22,214,388
Private gifts and grants	2,503,527	-	-	-	2,503,527
Government grants and contracts	1,348,831	-	-	-	1,348,831
Investment return designated for operations	5,060,249	-	-	-	5,060,249
Gains on investments	80,150	-	-	-	80,150
Income from perpetual trusts	165,764	-	-	-	165,764
Auxiliary income	10,283,335	-	-	-	10,283,335
Athletic revenue	33,000	-	-	-	33,000
Miscellaneous revenues	787,203	-	-	-	787,203
Total	42,476,447	-	-	-	42,476,447
Net assets released from restrictions	1,604,078	-	-	-	1,604,078
Total operating revenues and support	44,080,525	-	-	-	44,080,525
Operating Expenses					
Program services expenses					
Instructional	14,279,598	-	-	-	14,279,598
Library	1,067,152	-	-	-	1,067,152
Academic support	3,710,856	-	-	-	3,710,856
Student services	10,433,154	-	-	-	10,433,154
Auxiliary enterprises	5,233,797	-	-	-	5,233,797
Total program services expenses	34,724,557	-	-	-	34,724,557
Supporting services expenses					
Management and general	6,191,410	-	2,185,428	-	8,376,838
Fundraising	1,201,815	-	-	-	1,201,815
Total supporting services expenses	7,393,225	-	2,185,428	-	9,578,653
Total operating expenses	42,117,782	-	2,185,428	-	44,303,210
Change in net assets without donor restrictions from operating activities	1,962,743	-	(2,185,428)	-	(222,685)
Nonoperating revenues (expenses)					
Excess of investment gains over spending rate amount	714,999	-	-	-	714,999
Other investment gains	552,105	-	-	-	552,105
Change in value of split-interest agreements and charitable remainder trusts	-	-	6,330	-	6,330
Gain on extinguishment of refundable advance	4,530,705	-	-	-	4,530,705
Net assets released from restrictions and transfers	3,043,553	-	-	-	3,043,553
Total nonoperating revenues (expenses)	8,841,362	-	6,330	-	8,847,692
Change in net assets without donor restrictions	10,804,105	-	(2,179,098)	-	8,625,007
Net assets with donor restrictions					
Operating revenues and support					
Private gifts and grants	1,508,764	-	-	-	1,508,764
Government grants and contracts	150,635	-	-	-	150,635
Investment return designated for operations	391,285	-	-	-	391,285
Gains on investments	42,295	-	-	-	42,295
Athletic revenue	354,692	-	-	-	354,692
Miscellaneous revenues	169,529	-	-	-	169,529
Total	2,617,200	-	-	-	2,617,200
Net assets released from restrictions	(1,604,078)	-	-	-	(1,604,078)
Total operating revenues and support	1,013,122	-	-	-	1,013,122
Nonoperating revenues					
Private gifts and grants	3,186,074	-	-	-	3,186,074
Income from perpetual trusts	9,609	-	-	-	9,609
Excess of investment gains over spending rate amount	18,339,630	-	-	-	18,339,630
Other gains	10,703	-	-	-	10,703
Change in value of split-interest agreements and charitable remainder trusts	1,262,135	-	-	-	1,262,135
Net assets released from restrictions and transfers	(3,043,553)	-	-	-	(3,043,553)
Total nonoperating revenues	19,764,598	-	-	-	19,764,598
Change in net assets with donor restrictions	20,777,720	-	-	-	20,777,720
Change in net assets	31,581,825	-	(2,179,098)	-	29,402,727
Net assets at beginning of year	136,129,931	-	2,190,530	-	138,320,461
Net assets at end of year	\$ 167,711,756	\$ -	\$ 11,432	\$ -	\$ 167,723,188

Presbyterian College

Consolidating Statement of Cash Flows

Year Ended June 30, 2021

	College	PC Foundation	PC Real Estate Foundation	Eliminations	Total
Operating activities					
Change in net assets	\$	31,581,825	\$	-	\$
Adjustments to reconcile changes in net assets to net cash used for operating activities			(2,179,098)	\$	29,402,727
Extinguishment of refundable advance	(4,530,705)	-	-	-	(4,530,705)
Depreciation and amortization	1,911,931	-	1,600,458	-	3,512,389
Loss on disposal of plant, property and equipment	6,889	-	-	-	6,889
Net realized and unrealized (gain) loss on investments	(24,506,163)	-	-	-	(24,506,163)
Net unrealized gain on trust fund assets	(1,225,869)	-	-	-	(1,225,869)
Provision for losses on accounts, notes, and pledges receivable	(55,397)	-	-	-	(55,397)
Contributions for long-term restricted purposes	(3,642,293)	-	-	-	(3,642,293)
Change in value of contribution receivable from trusts	(36,267)	-	(6,330)	-	(42,597)
Changes in operating assets and liabilities					
Accounts receivable	(490,306)	-	-	-	(490,306)
Contributions receivable	838,189	-	-	-	838,189
Other assets and prepaid expenses	(75,819)	-	-	-	(75,819)
Accounts payable	(645,689)	-	(434,471)	-	(1,080,160)
Accrued expenses	(185,885)	-	568,993	-	383,108
Advances from Federal government	(115,553)	-	-	-	(115,553)
Other liabilities	(162,468)	-	-	-	(162,468)
Deferred tuition revenue	493,494	-	-	-	493,494
Refundable advance	-	-	-	-	-
Net cash used for operating activities	(840,086)	-	(450,448)	-	(1,290,534)
Investing activities					
Proceeds from notes receivable	140,270	-	-	-	140,270
Purchases of investments	(21,550,851)	-	-	-	(21,550,851)
Proceeds from sales of investments	23,426,863	-	-	-	23,426,863
Purchases of property, plant, and equipment	(3,555,262)	-	(1,859,017)	-	(5,414,279)
Net cash used for investing activities	(1,538,980)	-	(1,859,017)	-	(3,397,997)
Financing activities					
Contributions for long-term restricted purposes	3,642,293	-	-	-	3,642,293
Payments on capital lease obligation	(227,809)	-	-	-	(227,809)
Proceeds from long-term debt, net of debt issuance costs	(171,876)	-	62,282,795	-	62,110,919
Payments on long-term debt	(509,520)	-	(59,354,347)	-	(59,863,867)
Net cash provided by financing activities	2,733,088	-	2,928,448	-	5,661,536
Net change in cash and cash equivalents	354,022	-	618,983	-	973,005
Cash and cash equivalents, beginning of year	20,922,675	-	10,037	-	20,932,712
Cash and cash equivalents, end of year	\$ 21,276,697	\$	629,020	\$	21,905,717

Presbyterian College

Supplemental Operating Schedule

<i>For the year ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Operating - Undergraduate Studies			
Operating revenues and support			
Tuition and fees, net of \$26,594,077 in scholarships	\$ 11,931,053	\$ -	\$ 11,931,053
Private gifts and grants	2,495,965	1,468,724	3,964,689
Government grants and contracts	1,157,917	131,957	1,289,874
Investment return designated for operations	5,060,249	391,285	5,451,534
Gains on investments	76,455	42,295	118,750
Income from perpetual trusts	165,764	-	165,764
Auxiliary income	10,283,335	-	10,283,335
Athletic revenue	33,000	354,692	387,692
Miscellaneous revenues	763,949	79,529	843,478
Total	31,967,687	2,468,482	34,436,169
Net assets released from restrictions	1,580,320	(1,580,320)	-
Total operating revenues and support	33,548,007	888,162	34,436,169
Operating expenses			
Instructional	9,983,694	-	9,983,694
Library	1,067,152	-	1,067,152
Academic support	1,267,564	-	1,267,564
Student services	10,197,157	-	10,197,157
Management and general	7,013,558	-	7,013,558
Fundraising	1,190,509	-	1,190,509
Auxiliary enterprises	5,158,426	-	5,158,426
Total operating expenses	35,878,060	-	35,878,060
Change in net assets from operating activities - undergraduate	\$ (2,330,053)	\$ 888,162	\$ (1,441,891)
Operating - Graduate Studies			
Operating revenues and support			
Tuition and fees	\$ 10,283,335	\$ -	\$ 10,283,335
Private gifts and grants	7,562	40,040	47,602
Government grants and contracts	190,914	18,678	209,592
Gains on investments	3,695	-	3,695
Miscellaneous revenues	23,254	90,000	113,254
Total	10,508,760	148,718	10,657,478
Net assets released from restrictions	23,758	(23,758)	-
Total operating revenues and support	10,532,518	124,960	10,657,478
Operating expenses			
Instructional	4,295,904	-	4,295,904
Academic support	2,443,292	-	2,443,292
Student services	235,997	-	235,997
Management and general	1,363,280	-	1,363,280
Fundraising	11,306	-	11,306
Auxiliary enterprises	75,371	-	75,371
Total operating expenses	8,425,150	-	8,425,150
Change in net assets from operating activities - graduate	2,107,368	124,960	2,232,328
Change in net assets from all operating activities	\$ (222,685)	\$ 1,013,122	\$ 790,437



PRESBYTERIAN COLLEGE

Laurens County American Rescue Plan (ARP)

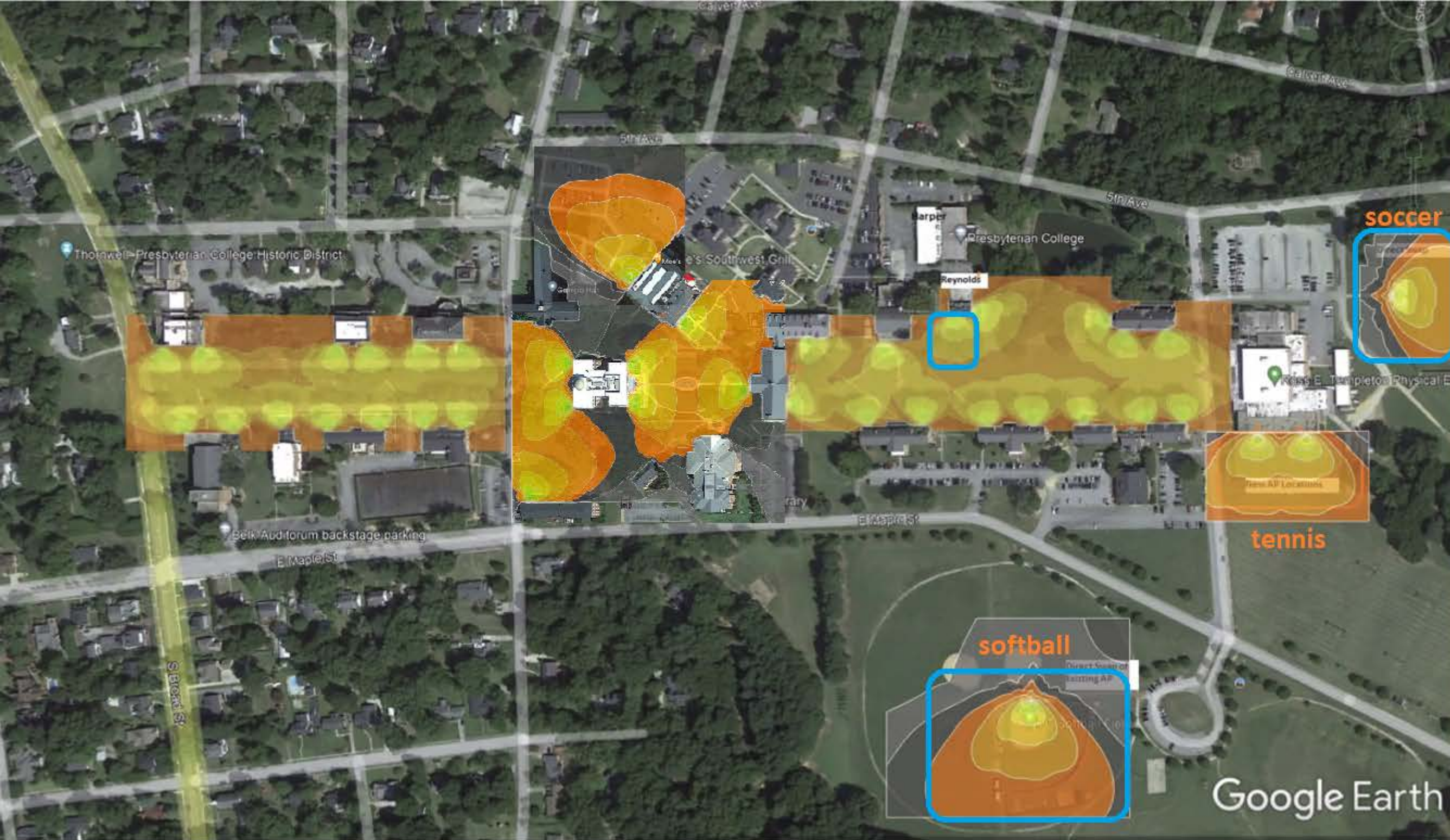
Infrastructure Grant - Broadband

Applicant: Presbyterian College

Project: Presbyterian College Wireless & Broadband Fiber Upgrade

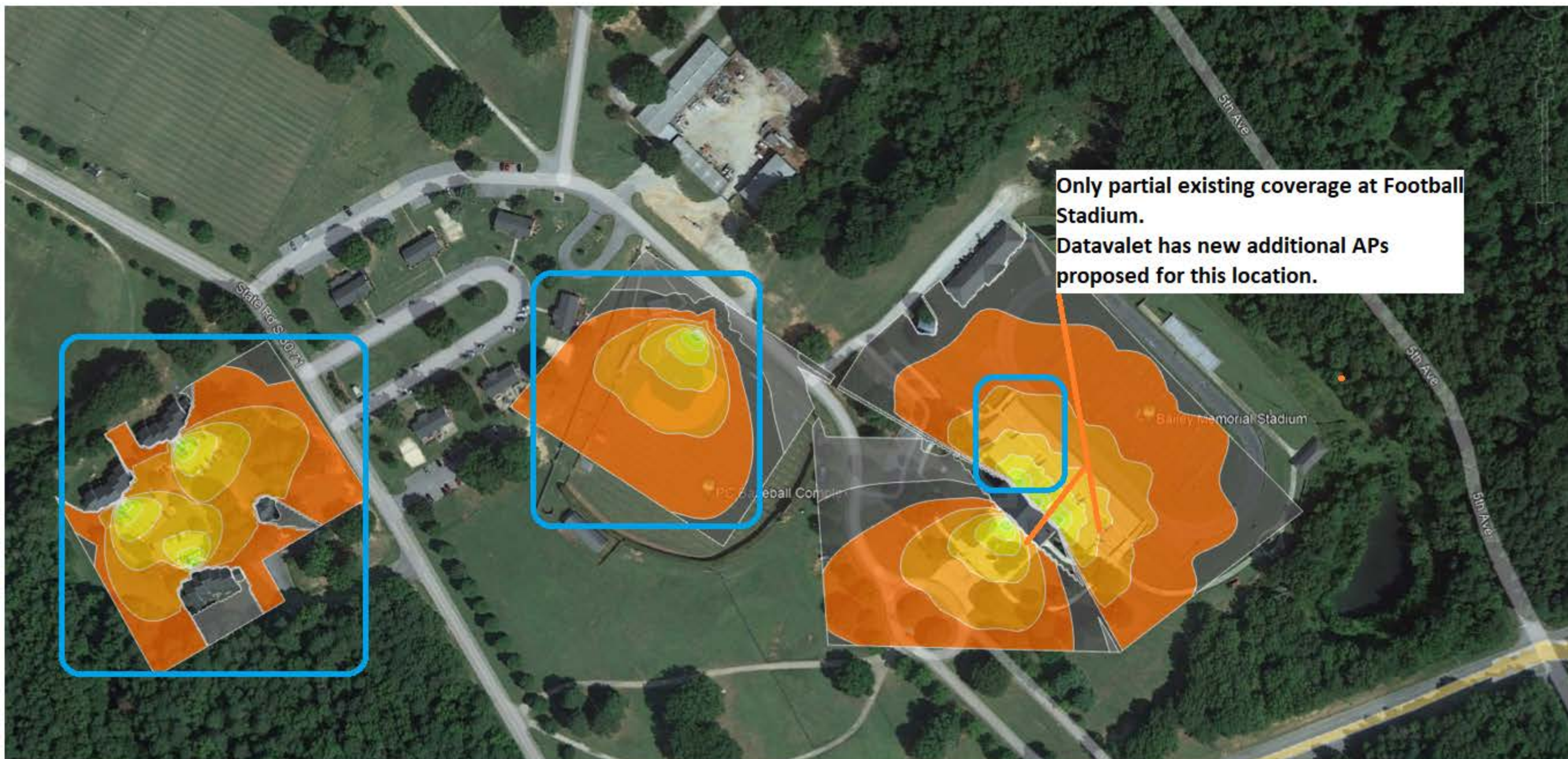
EXHIBIT I – ADDITIONAL SUPPORTING DOCUMENTATION

- Wireless Network Coverage Maps



 Existing Coverage

Signal Strength map for 5 GHz



 Existing Coverage



EXHIBIT B – FUNDING COMMITMENT LETTERS

- Please provide any letters of funding commitments received.

EXHIBIT C - COST ESTIMATE

- Please provide a cost estimate prepared within the last 12 months.

EXHIBIT D – PROJECT NARRATIVE

- Please answer all questions in Section G.
- Please do not exceed 3 pages.

EXHIBIT E – LOCATION/SERVICE AREA MAPS

- Attach a map of the entire County showing the general project location.
- Attach a map showing the specific project location.
- Attach at least one map showing the boundaries of the service area. All street names and reference points must be clearly labeled. If the project will be constructed in several phases, both the overall service area and individual service area for each phase of the project must be described and identified.

EXHIBIT F – PROJECT TEAM INFORMATION, COMMITMENT LETTERS, AND BUDGETS

- Provide a list of any and all partners whose participating in project implementation
- Specify the role(s) of each partner in project implementation.
- Please provide commitment letters and budgets (if required) for all partners and subrecipients participating in the project .

EXHIBIT G - CURRENT YEAR BUDGET

- Please provide the current year budget for your organization.

EXHIBIT H - MOST RECENT AUDITED FINANCIAL STATEMENTS

- Please provide a copy of your organization’s most recent audited financial statements.

EXHIBIT I – ADDITIONAL SUPPORTING DOCUMENTATION

- Attach documents and current data including such items as surveys, reports, feasibility studies, letters, traffic/pedestrian counts, well/on-lot sewage disposal system test data, newspaper articles, petitions, preliminary site plans/drawings/technical specifications, zoning/tax maps, inter-municipal agreements, letters from residents, letters of support from organizations, and other descriptive information.
- Attach photographs that will help visually show the problem and need.
- Please provide all preconstruction documentation including water, sewer, DHEC, Army Corps of Engineers, local building code approval, planning, zoning, and permitting if necessary for the project.