# TRIDENT TECHNICAL COLLEGE

## NORTH CHARLESTON, SOUTH CAROLINA

## ANNUAL FINANCIAL REPORT

## FOR THE FISCAL YEAR ENDED JUNE 30, 2026

**PREPARED BY**
**DIVISION OF FINANCE AND BUSINESS AFFAIRS**

**A COLLEGE INCLUDED IN**
**THE HIGHER EDUCATION FUNDS OF**
**THE STATE OF SOUTH CAROLINA**

**TRIDENT TECHNICAL COLLEGE**
**ANNUAL FINANCIAL REPORT**
**FISCAL YEAR ENDED JUNE 30, 2026**

## TABLE OF CONTENTS


**INTRODUCTORY SECTION** (Unaudited)
Organizational Data……2

**FINANCIAL SECTION**
Independent Auditor's Report .....3
Management's Discussion and Analysis – Required Supplementary Information .....7

Financial Statements:

Statement of Net Position .....15
Statement of Revenues, Expenses, and Changes in Net Position ..... 17
Statement of Cash Flows ..... 19
Non-Governmental Component Unit Statement of Financial Position..... 21
Non-Governmental Component Unit Statement of Activities ..... 22
Notes to the Financial Statements ..... 23

Required Supplementary Information:

Schedule of the College's Proportionate Share of Net Pension Liabilities – South Carolina Retirement Systems…..... 58
Schedule of the College's Contributions – South Carolina Retirement Systems……59
Schedule of the College's Proportionate Share of the Net OPEB Liability – South Carolina Retiree Health Care Plan.....60
Schedule of the College's Contributions – South Carolina Retiree Health Care Plan…....61
Notes to Required Supplementary Information .....62

**TRIDENT TECHNICAL COLLEGE**
**NORTH CHARLESTON, SOUTH CAROLINA**
**ORGANIZATIONAL DATA**
**JUNE 30, 2026**

## AREA COMMISSIONERS

| | | |
|---|---|---|
| Dr. Yvonne J. Barnes | Berkeley County | |
| Mr. William A. Blanton | Berkeley County | Vice-Chair |
| Mr. Ryan F. Castle | Dorchester County | |
| Mr. Joseph S. Daning | Berkeley County | |
| Mrs. Carroll S. Duncan | Dorchester County | |
| Ms. Anna C. Lybrand | Dorchester County | |
| Mr. Baird A. Mallory | Charleston County | |
| Ms. Margie A. Morse | Charleston County | Treasurer |
| Ms. Anita G. Zucker | Charleston County | Chair |

## EXECUTIVE STAFF

| | |
|---|---|
| Dr. Vicky Wood | College President |
| Mr. Kevin Beck | VP for Finance and Business Affairs |
| Dr. Laurie Boeding | VP for Academic Affairs |
| Mr. Gene Creson | VP for Operations |
| Dr. Patrice Davis | VP for Student Services |
| Mrs. Marguerite Howle | VP for Advancement |
| Dr. Lisa Piccolo | VP for Development/Executive Director of the Foundation |
| Mrs. Melissa Stowasser | VP for Community and Continuing Education |
| Dr. Karen Wrighten | VP for Student Engagement and Success |

## COUNTIES SERVED/PROVIDING FINANCIAL SUPPORT

Berkeley County
Charleston County
Dorchester County

MAULDIN & JENKINS
CPAs & ADVISORS

# Independent Auditor's Report

**To the President and Members of the Area Commission**
**Trident Technical College**
**North Charleston, South Carolina Report on the Audit of the Financial Statements Opinions**

We have audited the financial statements of the business-type activities and the discretely presented component unit of **Trident Technical College** (the "College"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2026, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Trident Technical College Foundation, Inc., which represent 100 percent of the assets, net assets, and revenues of the discretely presented component unit as of June 30, 2026. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Trident Technical College Foundation, Inc., is based solely on the report of the other auditors.

**Basis for Opinions**

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. The financial statements of the Trident Technical College Foundation, Inc. were not audited in accordance with *Government Auditing Standards*. 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 opinions. 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 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 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 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 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.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Proportionate Share of the South Carolina Retirement Systems Net Pension Liabilities, the Schedule of South Carolina Retirement Systems Contributions, the Schedule of the College's Proportionate Share of the Net OPEB Liability – State of South Carolina Retiree Health Plan, and the Schedule of College's Contributions – State of South Carolina Retiree Health Plan, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2026, on our consideration of Trident Technical 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. That report has been issued under separate cover in Trident Technical College's "Report of Independent Certifies Public Accountants in Accordance with the Uniform Guidance and *Government Auditing Standards*." 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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
October 9, 2026

# MANAGEMENT'S DISCUSSION AND ANALYSIS

**TRIDENT TECHNICAL COLLEGE**
**NORTH CHARLESTON, SOUTH CAROLINA**
**MANAGEMENT'S DISCUSSION AND ANALYSIS**
**JUNE 30, 2026**

Trident Technical College (the "College") presents this management's discussion and analysis for the fiscal year ended June 30, 2026. It provides an objective overview of the College's financial position, results of operations, cash flows, capital activity, and currently known facts and conditions. This discussion should be read with the basic financial statements and accompanying notes.

Fiscal year 2026 is the College's first year applying Governmental Accounting Standards Board Statement No. 103, Financial Reporting Model Improvements. GASB 103 changes the classification and presentation of proprietary-fund revenues and expenses and restructures MD&A; it does not, by itself, change total net position. Separately, the College changed its recognition of certain State capital appropriations and reported the cumulative effect as a change in accounting principle under GASB Statement No. 100. The $56.2 million restatement for a change in accounting principle increased State-restricted accounts receivable and restricted capital-project net position at July 1, 2025, but did not represent fiscal year 2026 revenue or cash flow. See Note 18 for additional information regarding the change in accounting principle for State capital appropriations.

## 1. Overview of the Financial Statements

The College is a special-purpose government engaged only in business-type activities and reports using the economic resources measurement focus and accrual basis of accounting. The Statement of Net Position reports assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at year-end. The Statement of Revenues, Expenses, and Changes in Net Position reports operating results, noncapital subsidies, other nonoperating activity, and the change in net position. The Statement of Cash Flows reports cash activity as operating, noncapital financing, capital and related financing, or investing.

The notes explain significant accounting policies and provide additional detail on receivables, capital assets, pension and other postemployment benefit obligations, commitments, and long-term liabilities. The Trident Technical College Enterprise Campus Authority is blended with the College. The Trident Technical College Foundation is discretely presented. Because the Authority had no revenue, expense, or cash activity during fiscal year 2026, this analysis focuses on the College unless otherwise stated.

## 2. Financial Summary

Total net position was $170.7 million at June 30, 2026. The College began the year with $88.6 million of previously reported net position and recorded a $56.2 million restatement for a change in accounting principle, resulting in beginning net position, as restated of $144.8 million. Fiscal year 2026 operations and other activity then increased net position by $25.9 million.

Summary of Changes in Net Position

| Change in Net Position | Amount (millions) |
|---|---|
| Net position at June 30, 2025, as reported | $88.6 |
| Restatement for change in accounting principle | 56.2 |
| Net position at July 1, 2025, as restated | 144.8 |
| Increase in net position - fiscal year 2026 | 25.9 |
| Net position at June 30, 2026 | $170.7 |

*The $56.2 million restatement is a beginning-balance change and is excluded from fiscal year 2026 revenue and cash flow.*

Condensed Summary of Net Position

| As of June 30, 2026 (millions) | 2025 as Reported | 2025 as Restated | 2026 | Change |
|---|---|---|---|---|
| Noncapital assets (current and noncurrent) | $142.8 | $199.0 | $188.1 | $(10.9) |
| Capital assets, net | 129.9 | 129.9 | 155.9 | 26.1 |
| Total assets | 272.7 | 328.8 | 344.0 | 15.2 |
| Deferred outflows of resources | 37.2 | 37.2 | 32.9 | (4.3) |
| Current liabilities | 30.8 | 30.8 | 28.0 | (2.8) |
| Noncurrent liabilities | 154.9 | 154.9 | 139.9 | (15.0) |
| Total liabilities | 185.8 | 185.8 | 168.0 | (17.8) |
| Deferred inflows of resources | 35.5 | 35.5 | 38.3 | 2.9 |
| Net investment in capital assets | 129.3 | 129.3 | 152.1 | 22.8 |
| Restricted - capital projects | 34.4 | 90.6 | 67.9 | (22.6) |
| Unrestricted - College | (75.1) | (75.1) | (49.4) | 25.7 |
| Total net position | $88.6 | $144.8 | $170.7 | $25.9 |

*Change is measured from the fiscal year 2025 restated comparative basis. The $56.2 million restatement affects State-restricted accounts receivable and restricted capital-project net position; other fiscal year 2025 lines are unchanged. The comparative basis is presented solely to facilitate MD&A analysis and does not represent reissuance of the audited fiscal year 2025 financial statements. For comparative purposes, current assets and the noncurrent State capital appropriation receivable are combined because the fiscal year 2025 comparative basis was not separately classified between current and noncurrent.*

On the restated comparative basis, current and other noncapital assets declined $10.9 million. Cash decreased $15.4 million, while total net accounts receivable increased $4.5 million to $75.3 million. At June 30, 2026, $59.9 million of net accounts receivable is classified as current and $15.4 million of State capital appropriation receivables is classified as noncurrent based on expected realization. Capital assets increased $26.1 million as the College advanced the Berkeley Campus renovation and other facilities projects. Total liabilities declined $17.8 million, including a $15.0 million reduction in noncurrent liabilities, primarily pension and OPEB obligations.

Net investment in capital assets increased $22.8 million to $152.1 million, and restricted capital-project net position declined $22.6 million from the adjusted comparative balance as previously recognized restricted capital resources were deployed on capital projects. The College's unrestricted deficit improved by $25.7 million to $(49.4) million, although the balance remains negative because of long-term pension and OPEB obligations and related deferred items.

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

| For the Year Ended June 30, 2026 (millions) | 2025 as Reported | 2025 as Restated | 2026 | Change |
|---|---|---|---|---|
| Operating revenues | $55.2 | $79.6 | $95.7 | $16.1 |
| Operating expenses | 130.6 | 130.7 | 141.5 | 10.8 |
| Operating income (loss) | (75.4) | (51.0) | (45.7) | 5.3 |
| Noncapital subsidies | Not Separate | 56.9 | 63.4 | 6.4 |
| Operating income (loss) and noncapital subsidies | Not Separate | 5.9 | 17.6 | 11.7 |
| Other nonoperating revenues and expenses | 89.1 | 7.7 | 8.3 | 0.5 |
| Increase in net position | $13.6 | $13.6 | $25.9 | $12.3 |

*The change column compares FY2026 with FY2025 restated Comparative Basis. The published FY2025 legacy subtotals are shown to make the GASB 103 transition transparent.*

On the restated comparative basis, operating revenues increased $16.1 million, or 20.2%, while operating expenses increased $10.8 million, or 8.3%. The changes reflect, among other factors, the partial-year impact of the College's expanded Boeing workforce-training agreement, which became effective January 1, 2026, as well as higher tuition-related activity. Enrolled credit hours increased 1.4%, and the 5% tuition rate increase implemented starting Summer 2025 also affected fiscal year 2026 results. The operating loss therefore improved by $5.3 million to $45.7 million. Noncapital subsidies increased $6.4 million to $63.4 million, and operating income after noncapital subsidies improved by $11.7 million. Other nonoperating revenues and expenses increased $0.5 million. The resulting $25.9 million increase in net position was $12.3 million above fiscal year 2025.

Condensed Summary of Cash Flows

| For the Fiscal Year Ended June 30, 2026 (millions) | 2025 | 2026 | Change |
|---|---|---|---|
| Net cash used by operating activities | $(70.0) | $(49.9) | $20.1 |
| Net cash provided by noncapital financing activities | 90.0 | 61.5 | (28.5) |
| Operating and noncapital financing cash flows | 20.0 | 11.6 | (8.4) |
| Net cash used by capital and related financing activities | (4.4) | (31.1) | (26.7) |
| Net cash provided by investing activities | 4.4 | 4.0 | (0.4) |
| Net increase (decrease) in cash | 20.0 | (15.4) | (35.5) |
| Cash and cash equivalents - end of year | $126.8 | $111.4 | $(15.4) |

*GASB 103 does not change the four GASB 9 cash-flow categories. However, alignment of grant classifications affects operating versus noncapital-financing section comparability. The combined operating + noncapital financing subtotal is included as an analytical liquidity measure.*

Cash used by operating activities decreased $20.1 million, while noncapital financing cash inflows declined $28.5 million. Considered together, operating and noncapital financing activities generated $11.6 million of net cash in fiscal year 2026, $8.4 million less than in fiscal year 2025. Despite the decline, these activities continued to provide positive cash flow to support operations and capital investment. Capital and related financing used $31.1 million, compared with $4.4 million in fiscal year 2025, principally because cash purchases of capital assets increased from $3.4 million to $32.3 million for the Berkeley Campus renovation. As a result, cash and cash equivalents decreased $15.4 million to $111.4 million after increasing $20.0 million in the prior year.

## 3. Detailed Analyses

Financial Position

Net accounts receivable totaled $75.3 million at June 30, 2026, of which $59.9 million is classified as current and $15.4 million is classified as noncurrent. The noncurrent balance consists of State capital appropriation receivables expected to be realized after fiscal year 2027 based on current project schedules and anticipated reimbursement timing. Compared with the $70.8 million GASB 100-adjusted fiscal year 2025 balance, total receivables increased $4.5 million. The larger reported-to-reported increase primarily reflects the change in accounting principle because the $56.2 million State-restricted receivable was recognized through the beginning-balance adjustment.

Gross student receivables were $16.6 million and the related allowance was $5.5 million, producing net student receivables of approximately $11.0 million. The allowance represented about one-third of gross student receivables at June 30, 2026.

Accounts payable and accrued expenses increased from $5.2 million to $9.7 million, largely reflecting the timing of construction-related liabilities and other year-end accruals. Unearned revenue declined $7.2 million to $17.4 million, more than offsetting the accounts-payable increase and contributing to the $2.8 million decline in total current liabilities.

The College's combined net pension and OPEB liabilities declined by $15.1 million, from $150.3 million to $135.2 million. Deferred outflows decreased $4.3 million and deferred inflows increased $2.9 million. These actuarially determined, noncash balances materially affect unrestricted net position but do not represent resources available for current operations or capital projects.

Results of Operations

The College continued to mature its zero-based budgeting (ZBB) process and strengthen multi-year fiscal planning into resource decisions. Management used the process to challenge recurring and discretionary spending, preserve flexibility, and redirect resources to strategic capital, technology, and workforce priorities. Management intends to direct resources preserved through ZBB and related fiscal stewardship toward major renovation projects in Buildings 400, 700, and 800 to better serve regional and defense-related workforce training programs, including welding, advanced manufacturing, and science and health laboratories. In addition, the College continued to invest in its workforce and its

ability to attract and retain talent in the competitive Charleston labor market. Salaries increased $4.2 million on the analytical comparative basis, while reported benefits expense decreased $1.1 million. The benefit decrease is affected by GASB 68 and GASB 75 accounting and should not be characterized as a comparable reduction in cash benefit cost.

The College's expanded Boeing workforce-training agreement became effective January 1, 2026. Fiscal year 2026 therefore reflects only a partial-year effect, while fiscal year 2027 is expected to include a full year of activity. The agreement expands the College's role in baseline workforce training and will increase both student tuition and fees revenue and personnel and operating costs.

Cash Flows

The College used $49.9 million of cash in operating activities and received $61.5 million from noncapital financing activities. Because GASB 103-related alignment shifts some grant cash between those two sections, their combined $11.6 million contribution provides a useful year-over-year comparison. The combined amount was $8.4 million lower than fiscal year 2025, although operating and noncapital financing activities continued to provide positive net cash flow.

Capital and related financing activities used $31.1 million of cash, driven by $32.3 million of capital-asset purchases primarily related to the Berkeley Campus renovation. The statement also reports $4.3 million of State capital appropriations recognized as receivable and $3.6 million of fiscal year 2026 capital assets acquired through accounts payable and retainage as noncash capital activity. Investing activities provided $4.0 million. The resulting $15.4 million net decrease in cash reduced the year-end balance to $111.4 million, which remains available to support ongoing operations and planned capital activity.

## 4. Significant Capital Asset and Long-Term Financing Activity

Analysis of Capital Assets

| As of June 30, 2026 (millions) | 2025 | 2026 | Change |
|---|---|---|---|
| Capital assets not being depreciated | $12.8 | $42.3 | $29.5 |
| Other capital assets, net | 117.1 | 113.7 | (3.4) |
| Capital assets, net | $129.9 | $155.9 | $26.1 |

*Construction in progress was the principal driver of the increase in nondepreciable capital assets. Additional details are provided in Note 5.*

Capital assets, net, increased $26.1 million to $155.9 million as the College accelerated execution of its capital program. Cash purchases of capital assets increased from $3.4 million in fiscal year 2025 to $32.3 million in fiscal year 2026, primarily reflecting the Berkeley Campus renovation and other facilities projects. Construction in progress increased $29.5 million to $33.5 million, and an additional $3.6 million of capital assets had been acquired through accounts payable and retainage at year-end. The College also had approximately $10.4 million of outstanding construction commitments at June 30, 2026, reflecting continued execution of its multi-year capital program.

Management has identified a broader multi-year capital portfolio that includes deferred maintenance, workforce-capacity projects, and technology investment. The College's five-year capital planning

process is shifting from a stand-alone deferred-maintenance list to a sequenced portfolio aligned with workforce demand, building condition, program priorities, and available State, local, and College funding. Long-term capital needs continue to exceed identified resources, and State capital appropriations and county funding remain important sources for deferred maintenance and other priority projects. At June 30, 2026, the College had approximately $60.4 million of State capital appropriations receivable. Approximately $45.8 million, or 76%, of these resources had been assigned to specific capital projects through applicable State processes.

The College had no notes payable at June 30, 2026. Its SBITA liability declined from approximately $0.5 million to $0.1 million as scheduled payments were made and one arrangement was derecognized. The remaining SBITA liability was approximately $0.1 million, including $0.05 million due within one year. The planned enterprise resource planning migration is expected to be a significant technology investment in fiscal year 2027 and beyond to best support student success while improving workforce efficiency.

**5. Currently Known Facts, Decisions, or Conditions**

Zero-Based Budgeting and Multi-Year Planning
The fiscal year 2027 budget continues the College's zero-based budgeting approach and extends it through multi-year operating and capital planning. Management intends to preserve fiscal year 2026 flexibility for priority investments rather than treating year-end availability as a spending target. Principal planned uses include workforce-related capital projects, technology investment, and the enterprise resource planning migration.

Defense and Workforce Capacity
The Building 400 and Buildings 700/800 projects are intended to expand welding, advanced manufacturing, and science capacity in support of regional employers and the defense industrial base. These projects, together with the existing capital portfolio, will continue to affect cash, receivables, construction in progress, retainage, and capital subsidies over several years.

Boeing Workforce Training
The Boeing agreement is expected to have a larger effect in fiscal year 2027 because that year will include twelve months of training activity. The contract expands the College's role from providing facilities and academic pathways to directly operating baseline workforce training, increasing student tuition and fees revenue and personnel and operating costs.

Enrollment, Affordability, and Talent
Regional population and employer growth, together with high-school and dual-enrollment pathways, support the College's long-term enrollment base. State-supported aid, including SCWINS, remains important to affordability and net tuition revenue. During fiscal year 2026, remaining SCWINS carryover supported broad student eligibility. With that carryover fully utilized, beginning in academic year 2026-27, the College is moving to a program-based approach to SCWINS awards consistent with State requirements and legislative intent, narrowing eligibility relative to fiscal year 2026. The College also expects to continue targeted compensation actions to support recruitment and retention of faculty and staff in the competitive Charleston labor market.

Student Account Balances and Matriculation

Student affordability and outstanding account balances remain areas of management focus. During fiscal year 2026, the College invested in technology, business process reengineering, and student services throughout the matriculation cycle to reduce friction and improve the student experience. Outstanding student account balances have declined year over year when measured at comparable points in the collection cycle, and the College expects to continue these investments in fiscal year 2027 to support timely enrollment, financial clearance, and student persistence.

Applied Baccalaureate in Culinary Arts Management

South Carolina Act 179 was signed on May 18, 2026 and permits institutions in the South Carolina Technical College System to pursue an Applied Baccalaureate in Culinary Arts Management. The College is in the process of seeking approval to offer the baccalaureate. The expanded authority is not anticipated to have a material effect in fiscal year 2027.

**Requests for Information**

Please direct any requests for additional information or questions concerning any of the information provided to the College's Finance Director at Trident Technical College, P.O. Box 118067, Charleston, South Carolina 29423-8067, or by email to Gamellia.Davis@tridenttech.edu.

# FINANCIAL STATEMENTS

**TRIDENT TECHNICAL COLLEGE**
**STATEMENT OF NET POSITION**
**JUNE 30, 2026**

| | |
|---|---|
| ASSETS | |
| Current Assets | |
| Cash and cash equivalents (*Note 2)* | $ 111,395,098 |
| Accounts receivable (net of allowance of $5,520,000) (*Note 3*) | 59,887,629 |
| Inventory | 304,907 |
| Other assets | 1,078,264 |
| Total current assets | 172,665,897 |
| Noncurrent Assets | |
| State capital appropriations receivable - noncurrent *(Note 3)* | 15,420,370 |
| Nondepreciable capital assets (*Note 5*) | 42,251,698 |
| Capital assets, net of accumulated depreciation & amortization (*Note 5*) | 113,686,326 |
| Total noncurrent assets | 171,358,394 |
| Total assets | 344,024,291 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred outflows on net pension liability (*Note 6*) | 14,583,077 |
| Deferred outflows on net other post-employment benefits liability (*Note 7*) | 18,340,950 |
| Total deferred outflows of resources | 32,924,027 |
| Total assets and deferred outflows of resources | 376,948,318 |
| LIABILITIES | |
| Current Liabilities | |
| Accounts payable and accrued expenses (*Note 4)* | 9,734,979 |
| Current portion of long-term liabilities (*Note 9)* | 501,848 |
| Unearned revenue | 17,364,253 |
| Deposits held for others | 362,020 |
| Other liabilities | 52,449 |
| Total current liabilities | 28,015,549 |
| Noncurrent Liabilities | |
| Net pension liability *(Note 6)* | 71,903,689 |
| Net other post-employment benefits liability (*Note 7*) | 63,266,761 |
| Subscription-based IT payable (*Note 10*) | 91,569 |
| Compensated absences payable | 4,677,648 |
| Total noncurrent liabilities | 139,939,667 |
| Total liabilities | 167,955,216 |

**TRIDENT TECHNICAL COLLEGE**
**STATEMENT OF NET POSITION (CONTINUED)**
**JUNE 30, 2026**

| | |
|---|---|
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred inflows on net pension liability (*Note 6*) | 6,741,474 |
| Deferred inflows on net other post-employment benefits liability (*Note 7*) | 31,594,886 |
| Total deferred inflows of resources | 38,336,360 |
| Total liabilities and deferred inflows of resources | 206,291,576 |
| | |
| NET POSITION (DEFICIT) | |
| Net investment in capital assets | 152,130,098 |
| Restricted for expendable | |
| Capital projects | 67,916,667 |
| Unrestricted | |
| College | (49,406,171) |
| Enterprise Campus Authority | 16,148 |
| Total net position (deficit) | $ 170,656,742 |

*The accompanying notes are an integral part of these financial statements.*

**TRIDENT TECHNICAL COLLEGE**
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2026**

| | |
|---|---|
| OPERATING REVENUES | |
| Student tuition and fees, net of scholarship allowances of $38,331,479 | $ 31,399,095 |
| Federal grants and contracts | 23,532,964 |
| State grants and contracts | 33,332,364 |
| Nongovernmental grants and contracts | 285 |
| Sales and services of educational departments | 151,959 |
| Auxiliary enterprises, net of scholarship allowances $477,534 | 7,245,357 |
| Other operating revenues | 80,260 |
| Total operating revenues | 95,742,283 |
| | |
| OPERATING EXPENSES | |
| Salaries | 59,176,238 |
| Benefits | 15,788,955 |
| Utilities | 4,109,139 |
| Scholarships and fee remissions | 20,979,559 |
| Contracted services | 17,129,696 |
| Supplies and materials | 6,610,513 |
| Services-fixed charges | 1,331,661 |
| Travel | 537,310 |
| Equipment and permanent improvements | 2,019,729 |
| Purchases for resale | 5,659,225 |
| Depreciation and amortization | 8,122,593 |
| Total operating expenses | 141,464,619 |
| Operating income (loss) | (45,722,335) |
| | |
| NONCAPITAL SUBSIDIES | |
| State appropriations - noncapital | 32,769,891 |
| County appropriations | 22,597,113 |
| Federal, State and nongovernmental noncapital subsidies | 7,993,178 |
| Total noncapital subsidies | 63,360,182 |
| Operating income (loss) and noncapital subsidies | 17,637,846 |

**TRIDENT TECHNICAL COLLEGE**
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**
**(CONTINUED)**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2026**

| | |
|---|---|
| OTHER NONOPERATING REVENUES AND EXPENSES | |
| Investment income | 4,013,439 |
| Interest expense on SBITA / capital asset-related debt | (9,049) |
| Gain (loss) on disposal of capital assets and inventory | (19,036) |
| State capital appropriations | 4,271,487 |
| Total other nonoperating revenues and expenses | 8,256,840 |
| Increase in net position | 25,894,687 |
| | |
| Net position - beginning of year, as previously reported | 88,589,465 |
| Restatement for change in accounting principle (Note 18) | 56,172,590 |
| Net position - beginning of year, as restated | 144,762,055 |
| Net position - end of year | $ 170,656,742 |

*The accompanying notes are an integral part of these financial statements.*

**TRIDENT TECHNICAL COLLEGE**
**STATEMENT OF CASHFLOWS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2026**

| | |
|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Tuition and fees | $ 28,911,872 |
| Grants and contracts | 52,329,769 |
| Sales and services of educational departments | 151,959 |
| Auxiliary enterprise charges | 7,245,357 |
| Other receipts (payments) | 80,260 |
| Payments to vendors | (79,704,632) |
| Payments to employees | (58,832,228) |
| Amounts provided from lenders for student loans | 12,727,285 |
| Loans to students | (12,803,264) |
| Net cash flows used by operating activities | (49,893,622) |
| | |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| State appropriations | 32,769,891 |
| County appropriations | 22,293,919 |
| Grants, contracts, and other noncapital subsidies | 6,436,334 |
| Net cash flows provided by noncapital financing activities | 61,500,144 |
| | |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Purchases of capital assets | (32,312,128) |
| Proceeds from sale of capital assets | 37,266 |
| Principal paid on SBITA | (146,664) |
| Interest paid on SBITA | (9,049) |
| Capital appropriations and capital reserve | 1,372,807 |
| Net cash flows used by capital and related financing activities | (31,057,768) |
| | |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest on investments | 4,013,439 |
| Net cash flows provided by investing activities | 4,013,439 |
| | |
| Net increase (decrease) in cash and cash equivalents | (15,437,808) |
| Cash and cash equivalents-beginning of year | 126,832,906 |
| Cash and cash equivalents-end of year | $ 111,395,098 |

**TRIDENT TECHNICAL COLLEGE**
**STATEMENT OF CASHFLOWS (CONTINUED)**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2026**

| | |
|---|---|
| RECONCILIATION OF OPERATING LOSS TO NET OPERATING CASHFLOWS | |
| Operating loss | $ (45,722,335) |
| Adjustments to reconcile operating loss to net cash used by operating activities | |
| Depreciation and amortization expense | 8,122,593 |
| Pension and OPEB expense | (8,013,590) |
| Changes in assets and liabilities | |
| Receivables, net | (670,053) |
| Inventory | 5,412 |
| Other assets | (34,468) |
| Accounts payable and accrued expenses | 2,425,168 |
| Compensated absences payable | 337,973 |
| Unearned revenue | (6,327,149) |
| Other liabilities and deposits held for others | (17,173) |
| Net cash flows used by operating activities | $ (49,893,622) |

| | |
|---|---|
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES | |
| Capital subsidies/appropriations recognized as receivable | $ 4,271,487 |
| Capital assets acquired through accounts payable and retainage | 3,608,987 |
| SBITA assets derecognized, net (Note 5) | 276,307 |
| Related SBITA liabilities extinguished (Note 10) | 228,144 |

*The accompanying notes are an integral part of these financial statements.*

**NON-GOVERNMENTAL COMPONENT UNIT STATEMENT OF FINANCIAL POSITION**
**TRIDENT TECHNICAL COLLEGE FOUNDATION**
**JUNE 30, 2026**

| | |
|---|---|
| ASSETS | |
| Cash and cash equivalents | $ 664,468 |
| Contributions receivable | 2,952,407 |
| Prepaid expenses | 36,356 |
| Investments | 23,843,494 |
| Total assets | $ 27,496,725 |
| | |
| LIABILITIES AND NET ASSETS | |
| *Liabilities* | |
| Accounts payable and accrued expenses | $ 371,799 |
| Total liabilities | 371,799 |
| *Net Assets* | |
| Without donor restrictions | 9,300,288 |
| With donor restrictions | 17,824,638 |
| Total net assets | 27,124,926 |
| Total liabilities and net assets | $ 27,496,725 |

*The accompanying notes are an integral part of these financial statements.*

**NON-GOVERNMENTAL COMPONENT UNIT STATEMENT OF ACTIVITIES**
**TRIDENT TECHNICAL COLLEGE FOUNDATION**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2026**

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| REVENUE, GAINS AND OTHER SUPPORT | | | |
| Contributions and grants, net | $ 122,288 | $ 1,802,957 | $ 1,925,245 |
| Interest and dividends, net | 395,767 | 36,519 | 432,286 |
| Net unrealized and realized gains on investments | 1,829,579 | 923,785 | 2,753,364 |
| Special events | 404,396 | - | 404,396 |
| Subtotal | 2,752,030 | 2,763,261 | 5,515,291 |
| Net assets released from restrictions | | | |
| Transfers of funds | (190,307) | 190,307 | - |
| Program/time restrictions satisfied | 1,416,470 | (1,416,470) | - |
| Total revenue, gains and other support | 3,978,193 | 1,537,098 | 5,515,291 |
| EXPENSES | | | |
| Program | 1,276,501 | - | 1,276,501 |
| Management and general | 145,705 | - | 145,705 |
| Fundraising | 321,635 | - | 321,635 |
| Total expenses | 1,743,841 | - | 1,743,841 |
| Change in net assets | 2,234,352 | 1,537,098 | 3,771,450 |
| Net assets, beginning of year | 7,065,936 | 16,287,540 | 23,353,476 |
| Net assets, end of year | $ 9,300,288 | $ 17,824,638 | $ 27,124,926 |

*The accompanying notes are an integral part of these financial statements.*

# NOTES TO FINANCIAL STATEMENTS

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Trident Technical College (the "College"), a member institution of the South Carolina Technical College System, provides a range of educational programs to meet the needs of the adult population of Charleston, Berkeley, and Dorchester counties. Included in this range of programs are technical and occupational associate degree, diploma and certificate curricula that are consistent with the needs of employers in the College's service area. As an integral part of this mission, the College provides a program of continuing education designed to satisfy the occupational demands of employers through retraining and upgrading the skills of individual employees. The College also provides a variety of developmental education programs, support services and offerings to assist students in meeting their personal and professional educational objectives.

Reporting Entity

The financial reporting entity, as defined by the Governmental Accounting Standards Board ("GASB"), consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. Accordingly, the financial statements include the College and its blended component unit- "Enterprise Campus Authority"-as the primary government, and another related entity as a discretely presented component unit- "Trident Technical College Foundation".

As a member institution of the South Carolina Technical College System, the College is a component unit of the State of South Carolina (the "State") and its financial statements are included in the State's Annual Comprehensive Financial Report ("ACFR") as a discretely presented component unit. The College has determined that the Trident Technical College Enterprise Campus Authority (the "Authority") and the Trident Technical College Foundation (the "Foundation") are component units. Therefore, the accompanying financial statements present the College, as the primary government with its component units. The Foundation, due to the nature and significance of its relationship with the State, is not a component unit of the State.

The Authority was created on June 12, 2006, for the purpose of managing and operating the Enterprise Campus. For accounting purposes, the Authority is considered a component unit of the College. The Authority's component unit relationship principally arises from the Authority's financial accountability to the College. In particular, the legislation establishing the Authority requires that the members of the College's Area Commission also constitute the Board of the Authority. In accordance with governmental accounting standards, the Authority's financial activity is blended in the financial statements of the College.

The Foundation is a legally separate eleemosynary organization with a self-perpetuating Board of Trustees. It was established to advocate and raise funds for the College in support of the region's economy. Principally, all of the resources held by the Foundation are for the benefit of the College and its students. Therefore, the Foundation qualifies as a discretely presented component unit. The Foundation's statements are presented on separate pages from the College due to differences in the reporting models as discussed below.

Complete financial statements for the Foundation may be obtained from its administrative offices by request to Post Office Box 61227, Charleston, South Carolina 29419-1227.

Financial Statements

The financial statement presentation of the College and its blended component unit are presented in accordance with GASB standards. The financial statement presentation provides a comprehensive, entity-wide perspective of the College's net position, revenues, expenses, changes in net position and cash flows. The financial statement presentation of the Foundation follows the recommendation of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). Under the ASC, the Foundation's net assets are classified as 'net assets without donor restrictions' and 'net assets with donor restrictions.'

Basis of Accounting

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

The Foundation's financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Therefore, certain revenue recognition criteria and presentation features are different from GASB criteria and presentation features. No modifications for these differences have been made to the Foundation's financial statements included in the College's financial reporting entity.

Cash and Cash Equivalents

The amounts shown in the financial statements as "cash and cash equivalents" represent petty cash and cash on deposit in banks. For purposes of the Statement of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State of South Carolina State Treasurer's Office are considered cash equivalents. State Law requires that a bank receiving State funds must secure the deposits by deposit insurance, surety bonds, collateral securities or letters of credit to protect the State against any loss.

The Area Commission, the governing board of the College, has established policies regarding the custodial credit risk of the deposits with financial institutions that require the collateralization of all deposits with obligations of the United States or its agencies. The policies require that all deposits be denominated in United States dollars.

Investments

Deposits and investments for the College are governed by the South Carolina Code of Laws, Section 11-9-660, "Investment of Funds." Generally Accepted Accounting Principles applicable to governmental and college entities require disclosures related to deposit risks, such as custodial credit risk, and investment risks, such as credit risk (including custodial credit risk and concentrations of credit risks) and interest rate risk. The College accounts for its investments at fair value in accordance with these

same principles. Changes in unrealized gain (loss) on the fair value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position.

The Area Commission has established investment policies which authorize the investment of surplus funds to earn revenue for use as general operating funds in compliance with the Code of Laws of South Carolina. The College has no formal investment policy regarding diversification of investments, credit risk, liquidity risk or interest rate risk.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students, and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from the Federal government, State and local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Included in accounts receivable are amounts committed through appropriations by the State and property taxes collected for college operations through Berkeley, Charleston and Dorchester counties. Accounts receivables are recorded net of estimated uncollectible amounts.

State capital appropriation receivables are classified as current or noncurrent based on the expected timing of realization using project schedules and anticipated reimbursement timing. Amounts expected to be realized within one year of the reporting date are classified as current; amounts expected thereafter are classified as noncurrent.

Allowances for losses for student accounts receivable are established based upon actual losses experienced in prior years and evaluations of the current account portfolio.

Inventories

Inventories for internal use are valued at cost. Inventories for resale are carried at the lower of cost or market on the first-in, first-out ("FIFO") basis.

Capital Assets

Capital assets, including right-to-use subscription-based IT arrangements (SBITA), are recorded at cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. The College follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions, renovations and other improvements of $100,000 or more that add to the usable space, prepare existing buildings for new uses, or extend the useful life of an existing building are capitalized. The College capitalizes movable personal property with a unit value in excess of $5,000 and a useful life in excess of two years and depreciable land improvements, buildings and improvements, and intangible assets, including software, costing in excess of $100,000. Routine repairs and maintenance and library materials, except individual items costing in excess of $5,000, are charged to operating expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings and improvements and land improvements and 2 to 25 years for machinery, equipment and vehicles. Prior to July 1, 2012, a full year of depreciation was taken the year the asset was placed in service and no depreciation was taken in the year of disposition. For assets

placed in service after July 1, 2012, the State adopted a monthly depreciation convention in which depreciation is recognized in the month of purchase on a pro- rata basis of days placed in service.

Subscription Based IT Arrangements (SBITAs)

The College has noncancellable SBITAs of various IT software. The College recognizes a SBITA liability and an intangible right-to-use SBITA asset on the Statement of Net Position. The College recognizes SBITA liabilities with an initial, individual value of $100,000 or more. At the commencement of a SBITA, the College initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain implementation and conversion costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITA include how the College determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments:

- The College uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise.

The College monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with other capital assets and SBITA liabilities are reported with current and noncurrent liabilities in the Statement of Net Position.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until that time. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Changes in the net pension and other post- employment benefits (“OPEB”) liabilities not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date are reported as deferred outflows of resources.

Unearned Revenue and Deposits

Unearned revenue includes amounts received for tuition, fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenue also includes amounts received from grants and contracts that have not yet been earned.

Deposits represent student fee refunds and other miscellaneous deposits. Student deposits are recognized as revenue during the semester for which the fee is applicable and earned when the deposit is nonrefundable to the student under the forfeit terms of the agreement.

Net Pension Liability

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

Post-employment Benefits Other Than Pensions ("OPEB")

For purposes of measuring the net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") and the South Carolina Long-Term Disability Insurance Trust Fund ("SCLTDITF"), and additions to and deductions from the respective trusts' fiduciary net positions, have been determined on the same basis as reported by the OPEB Trusts. Benefit payments are recognized when due and payable in accordance with the benefit terms, and investments are reported at fair value.

Compensated Absences

The College implemented GASB Statement No. 101, Compensated Absences. Liabilities for leave, including sick and vacation, are recognized when the leave is attributable to past service, accumulates, and is more-likely-than-not to be used for time off or otherwise paid/settled. The College uses the Last-In, First-Out (LIFO) flow assumption and the liability and expense incurred are recorded at year-end as a component of current and noncurrent liabilities in the Statement of Net Position and as a component of salaries and benefit expenses in the Statement of Revenues, Expenses, and Changes in Net Position.

Net Position

The College's net position is classified as follows:

Net investment in capital assets: This component consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding liabilities attributable to the acquisition, construction, or improvement of those assets, including capital-related accounts payable, retainage payable, and subscription-based information technology arrangement liabilities. To the extent liabilities have been incurred but the related capital assets have not yet been recognized, such amounts are not included in this component of net position.

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

Restricted-nonexpendable: Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of

producing present and future income, which may either be expended or added to principal. The College does not currently report any net position in this classification.

Unrestricted: Unrestricted net position represents resources derived from student tuition and fees, appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff. The College's policy for applying expenses for which either restricted or unrestricted resources may be used is to first apply the expense to restricted resources and then to unrestricted resources.

Income Taxes

The College is exempt from Federal income taxes under the Internal Revenue Code ("IRC"). The Foundation is exempt from Federal income tax under Section 501(c)(3) of the IRC. However, any income from activities not directly related to the College's or the Foundation's tax-exempt purpose would be subject to taxation as unrelated business income tax. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a). Tax exempt status arises from the fact that the Foundation's sole reason for existence is as a support organization for the College.

GAAP prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. GAAP also provides guidance on derecognition of tax benefits, classification on the balance sheet, interest and penalties, accounting in interim periods, and disclosure.

Foundation management evaluated the Foundation's tax positions and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance for the year ended June 30, 2026. The Foundation's policy is to report accrued interest related to unrecognized tax benefits, when applicable, as interest income and to report penalties as other expense. With few exceptions, the Foundation is no longer subject to income tax examinations by the U.S. Federal, State, or local tax authorities for the years ended before June 30, 2021.

Classification of Revenues and Expenses

The College classifies revenues and expenses as operating or nonoperating in accordance with GASB Statement No. 103. Nonoperating activity includes subsidies received and provided, investment-related revenues and expenses, financing-related revenues and expenses, gains and losses on disposals of capital assets and inventory, and contributions to permanent and term endowments. Revenues and expenses not meeting the criteria for nonoperating classification are reported as operating.

Operating revenues and expenses: Operating revenues generally result from activities related to the College's principal ongoing operations. These revenues include student tuition and fees, fees received in exchange for goods and services provided by the College, sales and services of educational departments and auxiliary enterprises, and grants and contracts that do not meet the definition of a subsidy. Operating expenses are those incurred to carry out the College's educational and related mission and include

salaries and benefits, contractual services, supplies and materials, scholarships and fee remissions, utilities, purchases for resale, and depreciation and amortization.

Noncapital subsidies: Noncapital subsidies include resources received from another party without the College providing goods or services directly to that party and that are not restricted to capital purposes. These revenues include State and county appropriations and certain Federal, State, and nongovernmental grants and contracts. Noncapital subsidies are presented separately within nonoperating activity.

Other nonoperating revenues and expenses: Other nonoperating revenues and expenses include investment-related revenues and expenses, financing-related revenues and expenses, gains and losses on disposals of capital assets and inventory, capital subsidies and appropriations, and contributions to permanent and term endowments. State appropriations restricted for capital purposes are reported as other nonoperating revenues.

Scholarship Allowance

Student tuition and fees, and certain other revenues from students, are reported net of a scholarship allowance in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship allowances are the difference between the stated amount charged for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants and other Federal, State, or nongovernmental programs may be reported as operating revenues or noncapital subsidies based on the nature of the underlying transaction. To the extent resources from such programs are used to satisfy tuition and fees and other student charges, the College reports the related amounts as scholarship allowances.

Sales and Services of Educational and Other Activities

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

Auxiliary Enterprises and Internal Service Activities

Auxiliary enterprise revenues primarily represent revenues generated by bookstore, cafeteria and facilities rental services. Revenues of internal service and auxiliary enterprise activities and the related expenditures of college departments have been eliminated.

County Appropriations Revenue

The College obtains support from Berkeley, Charleston and Dorchester counties in the form of billed millage of property taxes. Real property and business personal property taxes, excluding automobile property taxes, become enforceable liens as of January 1. Real property taxes are levied in November and are payable without penalty during January. Automobile property taxes are levied throughout the year depending on vehicle tag expiration dates. Business property taxes are levied in September and are payable during January. Property taxes are assessed and collected by the counties and remitted monthly or quarterly to the College. Property taxes billed by the respective counties but remaining uncollected as of June 30, 2026, is unknown and therefore, unrecorded by the College. County appropriations receivable in Note 3 represents amounts collected by the counties as of June 30, 2026, but not yet

remitted to the College. The College has also disclosed tax abatement agreements entered into by the counties in Note 17.

Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows, deferred outflows, revenue and expenses, and affect disclosure of contingent assets and liabilities at the date of the financial statements. Actual amounts may differ from the estimates used.

## NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk: Custodial credit risk for deposits is the risk that the College will not be able to recover deposits if a depository financial institution fails to recover the value of collateral securities that are in the possession of an outside party if the counterparty to the deposit transaction fails. Deposits may include demand deposits with banks, certificates of deposits with banks and amounts held by the State Treasurer. At June 30, 2026, the College's carrying value of deposits with banks was $92,764,416. The bank balances were $93,777,976, of which $250,000 was covered by Federal Deposit Insurance Corporation ("FDIC") insurance. The balance was collateralized with securities held by Bank of America, N.A. and pledged to the State of South Carolina as part of a pooled collateral agreement.

The College did not recognize any losses in the year ended June 30, 2026, that were due to default by counterparties.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit. The College does not maintain deposits or investments that are denominated in a currency other than the United States dollar; and therefore, is not exposed to this risk.

South Carolina Local Government Investment Pool ("SCLGIP")

South Carolina State statutes authorize the College to invest in the South Carolina Local Government Investment Pool ("SCLGIP"). The SCLGIP is an investment trust fund, created by State legislation, in which public monies under the custody of any political subdivision in excess of current needs may be deposited. The SCLGIP is permitted to purchase obligations of the United States, its agencies and instrumentalities, and any corporation within the United States if such obligations bear any of the three highest ratings of at least two nationally recognized rating services. The SCLGIP is not registered with the SEC. It is similar to a money market fund in that it is offered at a stable price and is guided by risk control principles such as significant overnight Repurchase Agreements for liquidity; attention to credit quality, portfolio diversification and maintenance of a short average maturity of fixed and floating rate investments.

Funds may be deposited at any time and may be withdrawn upon 24-hour notice. Monthly investment income is distributed to participants in the form of additional units in the pool and is calculated on the accrual basis of accounting, including accrued interest and amortization of premium or discount. Unrealized gains and losses on investments are not distributed to participants until realized. The Pool does not carry any legally binding guarantees to protect participants against potential loss of investment value.

The College's deposits in the SCLGIP are carried at fair value based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned. The fair value of the College's position in the Pool is the same as the value of the pool shares. The total fair value of the SCLGIP is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of $1.00.

Investments

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the College will not be able to recover the value of the investments or the collateral securities that are in the possession of the outside party. The College's investments at June 30, 2026 are with the South Carolina State Treasurer's Office. As of June 30, 2026, the College had no uninsured and uncollateralized deposits at year-end.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College limits its investments to the most conservative types of securities through policy and legal restrictions. The College's investments are held in the South Carolina Local Government Investment Pool (SCLGIP) administered by the State Treasurer's Office. The Pool invests pursuant to State statute and its investment policy emphasizing credit quality, diversification, and short maturities.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. It occurs because potential purchasers of debt securities will not pay the face value of the securities if interest rates subsequently increase, thereby, affording potential purchasers more favorable rates on essentially equivalent securities. Part of the interest rate risk experienced with debt securities is maturity risk. Another component of interest rate risk is the exposure to fluctuations in the purchase price caused by stated earnings rates of the investments. The College's investment exposure is through the SCLGIP and the College does not directly manage the maturity of the underlying securities. The SCLGIP manages interest-rate and liquidity risk through its investment policies, including portfolio diversification and maintenance of a short average maturity.

Fair Value Measurement

The College has adopted applicable accounting standards for its financial assets and liabilities which clarify that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The College utilizes market data or assumptions that market participants would use in pricing the asset or liability. The standards establish a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The following schedule reconciles deposits and investments to the College's Statement of Net Position amounts to the footnote disclosure provided for deposits and investments as of June 30, 2026:

| Statement of Net Position | |
|---|---|
| Cash and cash equivalents | $ 111,395,098 |
| Total Statement of Net Position | 111,395,098 |

| Disclosure, Deposits and Investments | |
|---|---|
| Cash on hand | 5,625 |
| Deposits with banks | 92,764,416 |
| Deposits held by State Treasurer's Office | 18,625,057 |
| Total Deposits held by State Treasurer's Office | $ 111,395,098 |

## NOTE 3 – ACCOUNTS RECEIVABLE AND UNCONDITIONAL PROMISES TO GIVE

The College's receivables as of June 30, 2026, including applicable allowances, were as follows:

| Accounts Receivable | |
|---|---|
| Student accounts | $ 16,565,707 |
| County appropriations | 339,782 |
| State appropriations, grants and contracts | 61,533,864 |
| Federal grants and contracts | 1,711,053 |
| Local grants and contracts | 532,495 |
| Other | 145,099 |
| Gross accounts receivable | 80,827,999 |
| Less: allowance for uncollectible student accounts | (5,520,000) |
| Net accounts receivable | $ 75,307,999 |

Of the College's net accounts receivable at June 30, 2026, $59.9 million is classified as current and $15.4 million is classified as noncurrent. The noncurrent amount consists of State capital appropriation receivables expected to be realized after fiscal year 2027 based on current project schedules and anticipated reimbursement timing.

| Classification of College Net Accounts Receivable | |
|---|---|
| Current | $59,887,629 |
| Noncurrent – State capital appropriations | 15,420,370 |
| Total net accounts receivable | $75,307,999 |

## NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses as of June 30, 2026 are summarized as follows:

| Accounts Payable and Accrued Expenses | |
|---|---|
| Accounts payable | $ 3,842,158 |
| Capital project payable | 2,646,692 |
| Benefits payable | 2,164,537 |

| | |
|---|---|
| Sales tax payable | 11,012 |
| Restricted grants payable | 55,582 |
| Retainage payable | 1,014,998 |
| Total accounts payable and accrued expenses | $ 9,734,979 |

## NOTE 5 – CAPITAL ASSETS

The following is a summary of the changes in the capital assets accounts during the year ended June 30, 2026:

| Capital assets not being depreciated | Beginning Balance | Increases | Decreases & Transfers | Ending Balance |
|---|---|---|---|---|
| Land and improvements | 8,717,947 | - | - | 8,717,947 |
| Construction in progress | 4,033,818 | 29,499,933 | - | 33,533,751 |
| Total capital assets not being depreciated | 12,751,765 | 29,499,933 | - | 42,251,698 |
| | | | | |
| Other capital assets | | | | |
| Buildings and improvements | 218,536,469 | - | - | 218,536,469 |
| Machinery, equipment, and other | 43,811,390 | 4,919,051 | (561,191) | 48,169,250 |
| Vehicles | 2,356,608 | 49,031 | - | 2,405,639 |
| Depreciable land improvements | 15,487,869 | - | - | 15,487,869 |
| Software | 1,311,842 | - | - | 1,311,842 |
| Subscription Based IT Asset | 1,178,807 | 7,092 | (561,346) | 624,553 |
| Total other capital assets at historical cost | 282,682,985 | 4,975,174 | (1,122,537) | 286,535,622 |
| | | | | |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | (116,496,461) | (5,342,366) | - | (121,838,827) |
| Machinery, equipment, and other | (38,764,413) | (1,598,169) | 553,052 | (39,809,530) |
| Vehicles | (1,853,341) | (172,895) | - | (2,026,236) |
| Depreciable land improvements | (6,544,580) | (860,260) | - | (7,404,840) |
| Software | (1,311,842) | - | - | (1,311,842) |
| Subscription Based IT Asset | (587,064) | (148,904) | 277,947 | (458,021) |
| Total accumulated depreciation | (165,557,701) | (8,122,593) | 830,999 | (172,849,296) |
| | | | | |
| Other capital assets, net | 117,125,284 | (3,147,420) | (291,538) | 113,686,326 |
| Capital assets, net | 129,877,049 | 26,352,513 | (291,538) | 155,938,024 |

## NOTE 6 – PENSION AND RETIREMENT PLANS

Description of the Entity:

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the retirement systems and benefit programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the

retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

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

Plan Descriptions

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

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

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

Membership

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

SCRS: Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals first elected to the SC General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

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

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

Benefits

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

SCRS: A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available

to beneficiaries of active and retired members of employers who participate in the death benefit program.

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

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

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

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability ("UAAL") over a period that does not exceed the number of years scheduled in State statute. Effective July 1, 2017, employee rates were increased and capped at a rate of 9 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in State statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year, if necessary, in order to improve the funding of the plans. The statute sets rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85 percent funded.

Required employee contribution rates[1] are as follows:

| | FY 2026[1] | FY 2025[1] |
|---|---|---|
| SCRS | | |
| Employee Class Two | 9.00% | 9.00% |
| Employee Class Three | 9.00% | 9.00% |
| State ORP | | |
| Employee | 9.00% | 9.00% |
| PORS | | |
| Employee Class Two | 9.75% | 9.75% |
| Employee Class Three | 9.75% | 9.75% |

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

Required employer contribution rates[1] are as follows:

| | FY 2026[1] | FY 2025[1] |
|---|---|---|
| SCRS | | |
| Employer Class Two | 18.56%[3] | 18.56%[3] |
| Employer Class Three | 18.56%[3] | 18.56%[3] |
| State ORP | | |
| Employer Contribution[2] | 18.56%[3] | 18.56%[3] |
| PORS | | |
| Employer Class Two | 21.24%[4] | 21.24%[4] |
| Employer Class Three | 21.24%[4] | 21.24%[4] |

*[1] Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws*
*[2] Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP service provider to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS*
*[3] Includes incidental death benefit contribution rate of 0.15%*
*[4] Includes incidental death benefit and accidental death benefit contribution rate of 0.20% each*

The College's actual retirement and incidental death benefit program contributions to the SCRS and PORS for the years ended June 30, 2026, 2025, and 2024 are listed below. The State made a nonemployer contribution directly to SCRS and PORS. The appropriated funds have been determined not to qualify as a Special Funding Situation under GASB Statement No. 68 for financial reporting purposes. The College's proportionate share shown below is recognized as a reduction to benefit expense.

| Plan / component | FY 2026 rate | FY 2026 amount | FY 2025 amount | FY 2024 amount |
|---|---|---|---|---|
| SCRS retirement | 18.41% | $8,046,738 | $7,603,678 | $7,390,294 |
| SCRS special appropriation reduction | | -441,790 | -441,790 | -441,790 |
| SCRS incidental death | 0.15% | 65,563 | 61,962 | 60,214 |
| | | | | |
| PORS retirement | 20.84% | 129,187 | 143,699 | 127,427 |
| PORS special appropriation reduction | | -12,599 | -12,599 | -12,599 |
| PORS incidental death | 0.20% | 1,240 | 1,376 | 1,223 |
| PORS accidental death | 0.20% | 1,240 | 1,376 | 1,223 |

**State ORP** – Contributions to the ORP pension plan from the College for retirement and incidental death benefits were $1,574,581 and $17,613, respectively, for the year ended June 30, 2026. In addition, the College contributed $586,754 directly to the ORP vendors.

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina State statute requires that an actuarial experience study be completed at least once in each five-year period. The GASB Statement No. 67 valuation report prepared as of June 30, 2025 is based on the experience study report for the period ending June 30, 2023.

The June 30, 2025, total pension liability ("TPL"), net pension liability ("NPL"), and sensitivity information shown in this report were determined by the Systems' consulting actuary, Gabriel Roeder Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2024. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2025, using generally accepted actuarial principles. There was no legislation enacted during the 2025 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2025:

| | SCRS | PORS |
|---|---|---|
| Actuarial cost method | Entry age normal | Entry age normal |
| Investment rate of return[1] | 7% | 7% |
| Projected salary increases | 3.0% to 11.25% (varies by service)[1] | 3.5% to 11.0% (varies by service)[1] |
| Benefit adjustments | Lesser of 1% or $500 annually | Lesser of 1% or $500 annually |

[1] *Includes inflation at 2.25%*

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC),

was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Assumptions used in the determination of the June 30, 2025 TPL are as follows:

| Former Job Class | Males | Females |
|---|---|---|
| Educators | 2020 PRSC Males multiplied by 95% | 2020 PRSC Females multiplied by 94% |
| General Employees and Members of the General Assembly | 2020 PRSC Males multiplied by 97% | 2020 PRSC Females multiplied by 107% |
| Public Safety and Firefighters | 2020 PRSC Males multiplied by 127% | 2020 PRSC Females multiplied by 107% |

Net Pension Liability (NPL)

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB 67 less that System's fiduciary net position. NPL totals, as of June 30, 2025, for SCRS and PORS are presented below.

| System | Total Pension Liability | Plan Fiduciary Net Position | Employers' Net Pension Liability (Asset) | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|---|---|---|---|---|
| SCRS | $ 63,956,318,760 | $ 42,347,352,061 | $ 21,608,966,699 | 66.2% |
| PORS | $ 10,857,734,777 | $ 8,092,430,248 | $ 2,765,304,529 | 74.5% |

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

At June 30, 2026, the College reported liabilities of $71,003,737 and $899,952 for its proportionate share of the SCRS and PORS net pension liabilities, respectively. The College's proportionate share of the SCRS and PORS plans were 0.328585% and 0.032544%, respectively.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon the 30-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2025 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

| Allocation / Exposure | Policy Target | Expected Arithmetic Real Rate of Return | Long Term Expected Portfolio Real Rate of Return |
|---|---|---|---|
| Public Equity | 46.0% | 5.87% | 2.70% |
| Bonds | 26.0% | 3.20% | 0.83% |
| Private Equity[1] | 9.0% | 8.50% | 0.77% |
| Private Debt[1] | 7.0% | 7.40% | 0.52% |
| Real Assets | 12.0% | | |
| Real Estate[1] | 9.0% | 5.00% | 0.45% |
| Infrastructure[1] | 3.0% | 7.70% | 0.23% |
| Expected Real Return[2] | 100% | | 5.50% |
| Inflation for Actuarial Purposes | | | 2.25% |
| Expected Rate of Return | | | 7.75% |

*[1] RSIC staff and consultant will notify the Commission if the collective exposure to Private Equity, Private Debt and Private Real Assets exceeds 30 percent of total plan assets*
*[2] Portable Alpha Strategies, which utilize Hedge Funds and are not included in the Policy Target, will be capped at 15% of total assets*

Discount Rate

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis

The following table presents the College's proportionate share of the NPL of the respective plans calculated using the discount rate of 7 percent, as well as what the College's proportionate share of the NPL would be if it were calculated using a discount rate that is 1 percent lower (6 percent) or 1 percent higher (8 percent) than the current rate.

Sensitivity to the Net Pension Liability to Changes in the Discount Rate

| System | 1% Decrease (6%) | Current Discount Rate (7%) | 1% Increase (8%) |
|---|---|---|---|
| SCRS | $ 95,950,374 | $71,003,737 | $50,244,379 |
| PORS | 1,369,767 | 899,952 | 514,515 |
| Total | $ 97,320,141 | $ 71,903,689 | $ 50,758,894 |

Pension Expense

For the year ended June 30, 2026, the College recognized pension expense for the SCRS and PORS plans of $3,140,381 and $(56,637), respectively.

Deferred Inflows of Resources and Deferred Outflows of Resources

At June 30, 2026, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the respective plans:

| | SCRS | |
|---|---|---|
| | Deferred outflows of resources | Deferred inflows of resources |
| Differences between expected and actual experience | $ 3,331,335 | $ - |
| Net difference between projected and actual earnings on pension plan investments | - | 4,558,703 |
| Changes in proportion and differences between College contributions and proportionate share of contributions | 882,581 | 1,927,073 |
| College contributions subsequent to the measurement date | 9,267,306 | - |
| Changes of assumptions | 839,165 | - |
| SCRS Total | $ 14,320,387 | $ 6,485,776 |

| | PORS | |
|---|---|---|
| | Deferred outflows of resources | Deferred inflows of resources |
| Differences between expected and actual experience | $ 105,655 | $ - |
| Net difference between projected and actual earnings on pension plan investments | - | 84,754 |
| Changes in proportion and differences between College contributions and proportionate share of contributions | 26,007 | 170,944 |
| College contributions subsequent to the measurement date | 119,068 | - |
| Changes of assumptions | 11,960 | - |
| PORS Total | 262,690 | 255,698 |
| College total deferred outflows/inflows related to pensions | $ 14,583,077 | $ 6,741,474 |

The $9,267,306 and $119,068 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2026 will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

| Year ending June 30, | SCRS | PORS |
|---|---|---|
| 2027 | $ (2,344,406) | $ 63,449 |
| 2028 | 895,636 | 13,779 |
| 2029 | 1,830,492 | 15,547 |
| 2030 | 1,050,973 | 19,301 |
| 2031 | - | - |
| Thereafter | - | - |
| | $ 1,432,695 | $ 112,076 |

## NOTE 7 – POST-EMPLOYMENT AND OTHER EMPLOYEE BENEFITS

Plan Description

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

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

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to ensure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides postemployment health and dental benefits to eligible retirees and long-term disability benefits to eligible active employees.

Benefits

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

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

Contributions and funding policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits.

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2025 was 6.35 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was $3.22 for the fiscal year ended June 30, 2025. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

For the SCLTDITF, the allocation of each employer's proportionate share of the collective net OPEB liability and collective OPEB expense was determined using the employer's premium contributions over the measurement period. This method is expected to be reflective of the employer's long-term contribution effort and transparent to individual employers and their external auditors.

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

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

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the PEBA – Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a

request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, OPEB Trust fund financial information is also included in the comprehensive annual financial report of the state.

For the year ended June 30, 2026, the College's SCRHITF contributions totaled $3,420,286. The College's proportionate share of the implicit subsidy recognized for the year ended June 30, 2026 was $(533,342). For the year ended June 30, 2026, the College's contributions to the SCLTDITF totaled $22,138.

Actuarial Assumptions and Methods

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

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

Additional information as of the latest actuarial valuation for SCRHITF:

| | |
|---|---|
| Valuation Date: | June 30, 2024 |
| Actuarial Cost Method: | Individual Entry – Age Normal |
| Inflation: | 2.25% |
| Investment Rate of Return: | 2.75%, net of OPEB Plan investment expense; including inflation |
| Single Discount Rate: | 5.05% as of June 30, 2025 |
| Demographic Assumptions: | Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2023 |
| Mortality: | For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with multipliers based on plan experience; the rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2020 to account for future mortality improvements. |
| Health Care Trend Rate: | Initial trend starting at 6.80% and gradually decreasing to an ultimate trend rate of 4.25% over a period of 15 years |
| Aging Factors: | Based on plan specific experience |
| Retiree Participation: | 75% for retirees who are eligible for funded premiums<br>60% participation for retirees who are eligible for Partial Funded Premiums<br>20% participation for retirees who are eligible for Non-Funded Premiums |
| Notes: | The discount rate changed from 3.97% as of June 30, 2024 to 5.05% as of June 30, 2025. Additionally, the demographic and salary increase assumptions were updated to reflect the 2024 SCRS |

| | |
|---|---|
| | experience study, and both the health care trend rates and election assumption rates were updated to reflect the plan's anticipated experience. |

Additional information as of the latest actuarial valuation for SCLTDITF:

| | |
|---|---|
| Valuation Date: | June 30, 2024 |
| Actuarial Cost Method: | Individual Entry – Age Normal |
| Inflation: | 2.25% |
| Investment Rate of Return: | 3.00%, net of Plan investment expense; including inflation |
| Single Discount Rate: | 4.41% as of June 30, 2025 |
| Salary, Termination, and Retirement Rates: | Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2023 |
| Disability Incidence: | The disability incidence rates used in the valuation are 245% of the rates developed for the South Carolina Retirement Systems pension plans |
| Disability Recovery: | For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 93% were assumed to recover after the first two years |
| Offsets: | 45% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group |
| Expenses: | Third party administrative expenses were included in the benefit projections |
| Notes: | The discount rate changed from 3.68% as of June 30, 2024 to 4.41% as of June 30, 2025. Additionally, the demographic and salary increase assumptions were updated to reflect the 2024 experience study for the SCRS and the disability incidence assumption was updated to reflect anticipated experience. |

Roll Forward Disclosures

The actuarial valuations were performed as of June 30, 2024. Update procedures were used to roll forward the total OPEB liabilities to June 30, 2025.

Net OPEB Liability

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using covered-payroll surcharge contributions for the SCRHITF and employer premium contributions for the SCLTDITF over the measurement period. These methods are expected to be reflective of each employer's long-term contribution effort and transparent to individual employers and their external auditors.

The following table represents the components of the net OPEB liability as of June 30, 2025:

| Fiscal Year Ending June 30, 2025 | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability | Plan Fiduciary Net Position as a % of Total Liability |
|---|---|---|---|---|
| SCRHITF | $ 17,049,657,227 | $ 1,931,391,247 | $ 15,118,265,980 | 11.3% |
| SCLTDITF | $ 49,767,853 | $ 32,427,147 | $ 17,340,706 | 65.16% |

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

At June 30, 2026, the College reported a liability of $63,221,262 for its proportionate share of the SCRHITF net OPEB liability. At June 30, 2025, the College's proportion of the SCRHITF net OPEB liability was 0.418178%, compared with 0.431545% at the prior measurement date.

At June 30, 2026, the College reported a liability of $45,499 for its proportionate share of the SCLTDITF net OPEB liability. The net OPEB liability was measured as of June 30, 2025, and the total OPEB liability was based on an actuarial valuation as of June 30, 2024 and rolled forward to the measurement date. At June 30, 2025, the College's proportion was 0.262380%, compared with 0.258311% at the prior measurement date.

Single Discount Rate

The Single Discount Rate of 5.05% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 4.41% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 5.20%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain at $38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2034. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2034, and the municipal bond rate was applied to all benefit payments after that date.

Long Term Expected Rate of Return

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

This information is summarized in the following table:

| Fund | Asset Class | Target Asset Allocation | Expected Arithmetic Real Rate of Return | Allocation-Weighted Long-Term Expected Real Rate of Return |
|---|---|---|---|---|
| SCRHITF | U.S. Domestic Fixed Income | 80.00% | 0.95% | 0.76% |
| | Cash Equivalents | 20.00% | 0.35% | 0.07% |
| | Total | 100.00% | | 0.83% |
| | Expected Inflation | | | 2.25% |
| | Total Return | | | 3.08% |
| | Investment Return Assumption | | | 2.75% |
| SCLTDITF | U.S. Domestic Fixed Income | 80.00% | 0.95% | 0.76% |
| | Cash Equivalents | 20.00% | 0.35% | 0.07% |
| | Total | 100.00% | | 0.83% |
| | Expected Inflation | | | 2.25% |
| | Total Return | | | 3.08% |
| | Investment Return Assumption | | | 3.00% |

Sensitivity Analysis

The following table presents the College's proportionate share of the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 5.05%, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of the SCRHITF Net OPEB Liability to Changes in the Discount Rate-College Share

| 1.00% Decrease | Current Discount Rate | 1.00% Increase |
|---|---|---|
| 4.05% | 5.05% | 6.05% |
| $ 74,071,590 | $ 63,221,262 | $ 54,671,316 |

The following table presents the College's proportionate share of the SCRHITF net OPEB liability calculated using the assumed healthcare-cost trend rates, as well as the liability calculated using trend rates one percentage point lower or higher:

Sensitivity of the SCRHITF Net OPEB Liability to Changes in the Healthcare Trend Rate-College Share

| 1.00% Decrease | Current Healthcare Cost Trend Rate | 1.00% Increase |
|---|---|---|
| $ 52,927,682 | $ 63,221,262 | $ 76,604,821 |

The following table presents the College's proportionate share of the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 4.41%, as well as what the College's proportionate share of

the net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of the SCRHITF Net OPEB Liability to Changes in the Discount Rate-College Share

| 1.00% Decrease | Current Discount Rate | 1.00% Increase |
|---|---|---|
| 3.41% | 4.41% | 5.41% |
| $ 50,678 | $ 45,499 | $ 40,563 |

OPEB Expense

For the year ended June 30, 2026, the College recognized OPEB expense of $1,232,039 for the SCRHITF and $29,628 for the SCLTDITF, for total OPEB expense of $1,261,667.

Deferred Inflows of Resources and Deferred Outflows of Resources

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

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

At June 30, 2026, the College reported its proportionate share of the deferred outflows of resources and deferred inflows of resources related to the OPEB liability for retiree health care from the following sources:

| South Carolina Retiree Health Insurance Trust Fund (SCRHITF) | Deferred outflows of resources | Deferred inflows of resources |
|---|---|---|
| Differences between expected and actual experience | $ 5,049,027 | $ 7,482,249 |
| Net difference between projected and actual earnings on plan Investments | - | 68,834 |
| Changes in proportion and differences between College contributions and proportionate share of contributions | 453,130 | 6,155,283 |
| College contributions subsequent to the measurement date | 2,886,944 | - |
| Changes of assumptions | 9,909,544 | 17,873,862 |
| Total | $ 18,298,645 | $ 31,580,228 |

The $2,886,944 reported as deferred outflows of resources resulting from College contributions subsequent to the measurement date during the year ended June 30, 2026 will be recognized as a reduction of the OPEB liability related to the SCRHITF in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be

recognized in benefits expense as follows:

| Plan years ending June 30, | |
|---|---|
| 2027 | $ (4,030,131) |
| 2028 | (5,186,491) |
| 2029 | (5,360,829) |
| 2030 | (893,563) |
| 2031 | 151,398 |
| Thereafter | (848,911) |
| | $ (16,168,527) |

At June 30, 2026, the College reported its proportionate share of the deferred outflows of resources and deferred inflows of resources related to the OPEB liability for long-term disability from the following sources:

| South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF) | Deferred outflows of resources | Deferred inflows of resources |
|---|---|---|
| Liability experience | $ 14,114 | $ 3,185 |
| Assumptions changes | 3,669 | 9,755 |
| Net investment experience | 1,968 | - |
| Changes in proportion and contribution differences | 416 | 1,718 |
| College contributions subsequent to the measurement date | 22,138 | - |
| Total | $ 42,305 | $ 14,658 |

The $22,138 reported as deferred outflows of resources resulting from College contributions subsequent to the measurement date during the year ended June 30, 2026 will be recognized as a reduction of the net OPEB liability related to the SCLTDITF in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCLTDITF will be recognized in benefits expense as follows:

| Plan years ending June 30, | |
|---|---|
| 2027 | $ 3,368 |
| 2028 | 498 |
| 2029 | (11) |
| 2030 | (119) |
| 2031 | 661 |
| Thereafter | 874 |
| | $ 5,509 |

Other Employee Benefits

In accordance with the South Carolina Code of Laws and the annual Appropriation Act, the State of South Carolina provides certain health care, dental, and life insurance benefits to all permanent full-time and certain permanent part-time employees of the College. These benefits are provided on a

reimbursement basis by the employer agency based on rates established at the beginning of the service period by PEBA. The College recorded benefit expenses for these insurance benefits for active employees in the amount of $5,843,519 and $5,213,793 for the years ended June 30, 2026 and 2025, respectively.

## NOTE 8 - CONTINGENCIES, LITIGATION, AND PROJECT COMMITMENTS

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

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

The College had outstanding commitments under construction contracts of approximately $10,417,980 at June 30, 2026. The College anticipates funding these projects out of current assets and non-recurring State appropriations.

## NOTE 9 - LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2026 was as follows:

| | 6/30/2025 | Additions | Reductions | 6/30/2026 | One Year |
|---|---|---|---|---|---|
| Net Pension Liability | $ 80,726,528 | $ 3,083,744 | $ (11,906,583) | $ 71,903,689 | $ - |
| Other Post-employment Benefits | 69,572,831 | 1,232,039 | (7,538,109) | 63,266,761 | - |
| SBITA Payable | 521,043 | - | (374,808) | 146,235 | 54,666 |
| Accrued Compensated Absences | 4,786,857 | 4,367,833 | (4,029,860) | 5,124,830 | 447,182 |
| Total Long-Term Liabilities | $ 155,607,259 | $ 8,683,616 | $ (23,849,360) | $ 140,441,515 | $ 501,848 |

## NOTE 10 – SUBSCRIPTION (SBITA) PAYABLE

As of June 30, 2026, the College had three subscription-based information technology arrangements with outstanding liabilities. The subscriptions had an interest rate of 3.445%. At June 30, 2026, the total subscription liability was $146,235, of which $54,666 was due within one year. The gross carrying amount of the related right-to-use subscription assets was $624,553, with accumulated amortization of $458,021. During fiscal year 2026, the College derecognized one previously recognized subscription arrangement, resulting in a loss of approximately $48,163.

Amount of Subscription Assets by Major Classes of Underlying Asset

| | As of Fiscal Year-end | |
|---|---|---|
| Asset Class | Subscription Asset Value | Accumulated Amortization |
| Software | 624,553 | 458,021 |
| Total Subscriptions | 624,553 | 458,021 |

Principal and Interest Requirements to Maturity

| | Business-Type Activities | | |
|---|---|---|---|
| Fiscal Year | Principal Payments | Interest Payments | Total Payments |
| 2027 | 54,666 | 3,997 | 58,663 |
| 2028 | 46,236 | 2,478 | 48,714 |
| 2029 | 23,631 | 886 | 24,517 |
| 2030 | 21,702 | 0 | 21,702 |
| Total | $146,235 | $7,361 | 153,596 |

During fiscal year 2026, the College derecognized a previously recognized subscription arrangement, removing a subscription asset with a net book value of $276,307 and an associated liability of $228,144, resulting in a noncash loss of $48,163.

**NOTE 11 - RISK MANAGEMENT**

The College is exposed to various risks of loss and maintains State or commercial insurance coverage for each of those risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settlement claims have not exceeded this coverage in any of the past three years.

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

- Unemployment compensation benefits
- Worker's compensation benefits for job-related illnesses or injuries
- Health and dental insurance benefits
- Long-term disability and group-life insurance benefits

Employees elect health insurance coverage through either a health maintenance organization or through the State's self-insured plan. The costs recognized by the College are disclosed in *Note 7*.

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

- Theft, damage to, or destruction of assets
- Real property, its contents, and other equipment
- Motor vehicles and watercraft

- Torts
- Natural disasters
- Medical malpractice claims against the infirmary

The IRF is a self-insurer and purchases reinsurance to obtain certain services and to limit losses in certain areas. The IRF's rates are determined actuarially.

The College obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriation and also for student accident insurance.

Premium expenses during the year ended June 30, 2026, were paid as follows:

| Premium Expense | |
|---|---|
| Insurance Reserve Fund | $ 739,910 |
| General Tort Liability | 308,912 |
| Student Accident Insurance | 6,985 |
| Commercial General Liability | 11,285 |
| Cyber & Drone Insurance | 41,949 |
| | $ 1,109,041 |

## NOTE 12 – OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2026 are summarized as follows:

| | Salaries | Benefits | Services and Supplies | Scholarships | Utilities | Depreciation and Amortization | Total |
|---|---|---|---|---|---|---|---|
| Instruction | $ 33,621,649 | $ 13,023,096 | $ 8,010,468 | $ - | $ 6,268 | $ - | $ 54,661,481 |
| Academic Support | 5,275,042 | 2,405,010 | 3,859,897 | - | - | - | 11,539,949 |
| Student Services | 8,863,500 | 3,699,520 | 2,666,832 | - | - | - | 15,229,852 |
| Facilities Support | 3,516,568 | 1,690,391 | 2,926,682 | - | 4,102,871 | - | 12,236,511 |
| Institution Support | 7,275,035 | (5,305,452) | 9,832,718 | - | - | - | 11,802,301 |
| Scholarships | - | - | - | 20,979,559 | - | - | 20,979,559 |
| Auxiliary | 624,444 | 276,391 | 5,991,537 | - | - | - | 6,892,372 |
| Depreciation | - | - | - | - | - | 8,122,593 | 8,122,593 |
| | $ 59,176,238 | $ 15,788,955 | $ 33,288,133 | $ 20,979,559 | $ 4,109,139 | $ 8,122,593 | $ 141,464,619 |

Pension and other postemployment benefit expense adjustments are recorded centrally within Institutional Support, resulting in a net credit to benefits expense for this function.

## NOTE 13 - TRANSACTIONS WITH DISCRETELY PRESENTED COMPONENT UNIT

The Foundation's programs and services to support the College included student scholarships, tuition assistance/credit course reimbursement programs for College employees, mini-grant program support, the Student Urgent Needs Fund, and awards and prizes for College students, faculty and staff.

During the fiscal year ended June 30, 2026, program expenses totaled $1,276,501.

In April 2017, the College entered into a revised cooperative agreement with the Foundation signed by the Chairman of the College's governing board and the Chairman of the Foundation's board. This agreement can be terminated by either party with a six-month written notice. The agreement is intended to preserve the status of the Foundation as an independent contractor and does not create any agency relationship between the Foundation and the College. The Foundation has agreed to reimburse the College for office space, personnel and other related expenses, with annual adjustments. The Foundation also provides a stipend to supplement the salary of the President of the College.

At June 30, 2026, the Foundation owed the College $366,245 as reimbursement for expenses paid by the College. This amount is included in accounts payable and accrued expenses in the Statement of Financial Position.

## NOTE 14 - ENTERPRISE CAMPUS AUTHORITY

The following table presents condensed financial information as of June 30, 2026, for the College and its blended component unit, the Enterprise Campus Authority.

| | Enterprise Campus Authority | Trident Technical College | Total |
|---|---|---|---|
| Current assets | $ 16,148 | $ 172,649,749 | $ 172,665,897 |
| Non-current assets | | | |
| State capital appropriations receivable | | 15,420,370 | 15,420,370 |
| Capital assets, net of depreciation | | 155,938,024 | 155,938,024 |
| Total assets | 16,148 | 344,008,143 | 344,024,291 |
| Deferred outflows | | 32,924,027 | 32,924,027 |
| Total assets & deferred outflows | 16,148 | 376,932,170 | 376,948,318 |
| Current liabilities | | 28,015,549 | 28,015,549 |
| Non-current liabilities | | 139,939,667 | 139,939,667 |
| Total liabilities | | 167,955,216 | 167,955,216 |
| Deferred inflows | | 38,336,360 | 38,336,360 |
| Total liabilities & deferred inflows | | 206,291,576 | 206,291,576 |
| Net position | | | |
| Net investment in capital assets | | 152,130,098 | 152,130,098 |
| Restricted for expendable Capital projects | | 67,916,667 | 67,916,667 |
| Unrestricted | | (49,406,171) | (49,406,171) |
| Enterprise Campus Authority | 16,148 | 0 | 16,148 |
| Total net position | $ 16,148 | $ 170,640,594 | $ 170,656,742 |

The blended component unit did not have any revenue, expense or cash activities during the fiscal year ended June 30, 2026. Therefore, no condensed information is presented for revenues, expenses, or changes in net position.

## NOTE 15 - STATE APPROPRIATIONS

State funds for the South Carolina Technical College System are appropriated to the State Board for Technical and Comprehensive Education (the "Board"), which allocates funds budgeted for the technical colleges. Certain State funding is also distributed through the Commission on Higher Education. The following schedule presents State funding recognized from fiscal year 2026 allocations, classified consistently with the Statement of Revenues, Expenses, and Changes in Net Position.

| Noncapital State Support | |
|---|---|
| State appropriations - noncapital | $ 32,769,891 |
| State grants and contracts – operating (FY26 SCWINS allocations) | 11,927,745 |
| State grants and contracts – noncapital subsidies | 1,598,620 |
| Total noncapital State support | 46,296,256 |

| Capital Appropriations | |
|---|---|
| Maintenance, Repair and Replacement (Proviso 118.22) | 4,271,487 |
| Total capital appropriations recognized as current year revenue | $ 4,271,487 |

State allocations are classified based on the nature of the funding. State grants and noncapital subsidies above represent the portions attributable to FY2026 allocations and do not include all State-related grant revenue recognized during the year. At June 30, 2026, $639,668 of FY2026 State allocations was reported as unearned revenue. See Note 18 for information regarding the change in accounting principle for recognition of State capital appropriations and the related restatement of beginning net position.

## NOTE 16 – TRANSACTIONS WITH OTHER AGENCIES

The College had certain transactions with the State of South Carolina and various agencies. Services received at no cost from State agencies include banking and bond trustee services from the State Treasurer. Other services received at no cost from the various offices of the State Fiscal Accountability Authority include pension plan administration, insurance plans administration, audit services, grant services, personnel management, assistance in the preparation of the State Budget, review and approval of certain budget amendments, procurement services, and other centralized functions.

## NOTE 17 - TAX ABATEMENTS

For tax year 2025, the gross dollar amount by which Trident's property tax revenues were reduced pursuant to tax abatement agreements entered into by Berkeley County under all programs was $881,278.

Charleston County entered into negotiated Fee-In-Lieu-of-Tax agreements and also provided special

source revenue credits. For tax year 2025, abated taxes totaled $112,044.

Based on the most recent information provided by Dorchester County, the College's property tax revenues were reduced by approximately $218,245 as a result of tax abatement agreements.

## NOTE 18 – CHANGE IN ACCOUNTING PRINCIPLE

State Capital Appropriation Recognition

Effective July 1, 2025, the College changed its accounting principle for the recognition of certain State capital appropriations. Historically, the College recognized these appropriations as qualifying project expenditures were incurred. The State of South Carolina, of which the College is a component unit, directed the State Technical College System to recognize capital appropriations and related receivables upon enactment of the appropriation. The College determined that the new accounting principle is preferable because it provides more consistent and comparable reporting of State capital appropriations within the State reporting structure.

The change is reported as a change in accounting principle in accordance with GASB Statement No. 100, Accounting Changes and Error Corrections. The financial statement line items affected by the change are State capital appropriation receivables and restricted capital-project net position. The cumulative effect of applying the new accounting principle to prior-year appropriations increased beginning net position by $56.2 million.

| | |
|---|---|
| Net position at June 30, 2025, as previously reported | $ 88,589,465 |
| Restatement for change in accounting principle | 56,172,590 |
| Net position at July 1, 2025, as restated | $144,762,055 |

The restatement increased State appropriation receivables and restricted capital-project net position and did not represent fiscal year 2026 revenue or cash flow. At June 30, 2026, the related receivables are classified as current or noncurrent based on expected realization, as described in Note 3. This classification does not affect the amount of the cumulative-effect adjustment or total net position.

# REQUIRED SUPPLEMENTARY INFORMATION

# TRIDENT TECHNICAL COLLEGE
# SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF NET PENSION LIABILITIES – SOUTH CAROLINA RETIREMENT SYSTEMS
# FOR THE YEARS ENDED JUNE 30,

South Carolina Retirement System (SCRS)

| For the Year | College's proportion of the net pension liability | College's proportionate share of the net pension liability | College's covered payroll during the measurement period | College's proportionate share of the net pension liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|---|---|---|---|---|---|
| 2026 | 0.328585% | $ 71,003,737 | $ 50,898,851 | 139.50% | 66.20% |
| 2025 | 0.340249% | 79,789,514 | 48,162,047 | 165.67% | 61.80% |
| 2024 | 0.334171% | 80,794,081 | 44,440,654 | 181.80% | 58.60% |
| 2023 | 0.328400% | 79,611,149 | 41,193,853 | 193.26% | 57.10% |
| 2022 | 0.348792% | 75,482,925 | 41,712,090 | 180.96% | 60.70% |
| 2021 | 0.376839% | 96,289,135 | 44,381,002 | 216.96% | 50.70% |
| 2020 | 0.389238% | 88,879,249 | 43,593,383 | 203.88% | 54.40% |
| 2019 | 0.391200% | 87,655,532 | 43,315,026 | 202.37% | 54.10% |
| 2018 | 0.406799% | 91,576,997 | 44,366,898 | 206.41% | 53.34% |
| 2017 | 0.437458% | 93,440,383 | 45,732,584 | 204.32% | 52.91% |

South Carolina Police Officers Retirement System (PORS)

| For the Year | College's proportion of the net pension liability | College's proportionate share of the net pension liability | College's covered payroll during the measurement period | College's proportionate share of the net pension liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|---|---|---|---|---|---|
| 2026 | 0.032544% | $ 899,952 | $ 633,726 | 142.01% | 74.50% |
| 2025 | 0.031240% | 937,015 | 611,457 | 153.24% | 70.50% |
| 2024 | 0.036818% | 1,120,778 | 641,458 | 174.72% | 67.80% |
| 2023 | 0.052973% | 1,588,638 | 803,189 | 197.79% | 66.40% |
| 2022 | 0.048471% | 1,247,121 | 740,499 | 168.42% | 70.40% |
| 2021 | 0.069596% | 2,307,937 | 1,051,074 | 219.58% | 58.80% |
| 2020 | 0.075626% | 2,167,393 | 1,096,923 | 197.59% | 62.70% |
| 2019 | 0.087620% | 2,482,751 | 1,212,793 | 204.71% | 61.70% |
| 2018 | 0.095270% | 2,609,925 | 1,222,976 | 213.41% | 60.94% |
| 2017 | 0.096120% | 2,438,085 | 1,225,410 | 198.96% | 60.44% |

** The amounts presented for each fiscal year were determined as of July 1 of two years prior, using membership data as of the day, projected forward to June 30 of the previous year.*

**TRIDENT TECHNICAL COLLEGE**
**SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS –**
**SOUTH CAROLINA RETIREMENT SYSTEMS**
**FOR THE YEARS ENDED JUNE 30,**

South Carolina Retirement System (SCRS)

| For the Year | Contractually required contribution | Contributions in relation to the contractually required contribution | Contribution deficiency (excess) | College's covered payroll | Contributions as a percentage of covered payroll |
|---|---|---|---|---|---|
| 2026 | $ 9,267,306 | $ 9,267,306 | $ - | $ 43,729,274 | 21.19% |
| 2025 | 7,734,084 | 7,734,084 | - | 41,308,245 | 18.72% |
| 2024 | 7,456,399 | 7,456,399 | - | 39,166,474 | 19.04% |
| 2023 | 6,443,748 | 6,443,748 | - | 36,695,605 | 17.56% |
| 2022 | 5,671,297 | 5,671,297 | - | 34,246,965 | 16.56% |
| 2021 | 5,384,428 | 5,384,428 | - | 42,452,589 | 12.68% |
| 2020 | 5,774,704 | 5,774,704 | - | 44,381,002 | 13.01% |
| 2019 | 5,031,060 | 5,031,060 | - | 43,593,383 | 11.54% |
| 2018 | 4,744,766 | 4,744,766 | - | 43,315,026 | 10.95% |
| 2017 | 4,262,962 | 4,262,962 | - | 44,366,898 | 9.61% |

South Carolina Police Officers Retirement System (PORS)

| For the Year | Contractually required contribution | Contributions in relation to the contractually required contribution | Contribution deficiency (excess) | College's covered payroll | Contributions as a percentage of covered payroll |
|---|---|---|---|---|---|
| 2026 | $ 119,068 | $ 119,068 | $ - | $ 619,900 | 19.21% |
| 2025 | 145,164 | 145,164 | - | 633,726 | 22.91% |
| 2024 | 131,161 | 131,161 | - | 616,124 | 21.29% |
| 2023 | 129,831 | 129,831 | - | 641,458 | 20.24% |
| 2022 | 154,533 | 154,533 | - | 803,189 | 19.24% |
| 2021 | 135,067 | 135,067 | - | 740,499 | 18.24% |
| 2020 | 191,716 | 191,716 | - | 1,051,074 | 18.24% |
| 2019 | 184,359 | 184,359 | - | 1,096,923 | 16.81% |
| 2018 | 182,692 | 182,692 | - | 1,212,796 | 15.06% |
| 2017 | 174,152 | 174,152 | - | 1,222,976 | 14.24% |

**TRIDENT TECHNICAL COLLEGE**
**SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – SOUTH CAROLINA RETIREE HEALTH CARE PLAN**
**FOR THE YEARS ENDED JUNE 30,**

| For the Year | College's proportion of the net OPEB liability | College's proportionate share of the net OPEB liability | College's covered payroll during the measurement period | College's proportionate share of the net OPEB liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total OPEB liability |
|---|---|---|---|---|---|
| 2026 | 0.418178% | $ 63,221,262 | $ 50,898,851 | 124.21% | 11.33% |
| 2025 | 0.431455% | 69,572,831 | 48,773,504 | 142.64% | 7.60% |
| 2024 | 0.430489% | 56,318,134 | 45,082,111 | 124.92% | 11.24% |
| 2023 | 0.427278% | 64,996,851 | 41,997,041 | 154.77% | 9.64% |
| 2022 | 0.455217% | 94,790,660 | 42,452,589 | 223.29% | 7.48% |
| 2021 | 0.492872% | 88,970,525 | 45,432,075 | 195.83% | 8.39% |
| 2020 | 0.510990% | 77,269,478 | 44,690,306 | 172.90% | 8.44% |
| 2019 | 0.516341% | 73,168,540 | 44,527,819 | 164.32% | 7.91% |
| 2018 | 0.540623% | 73,226,500 | 45,589,875 | 160.62% | 7.60% |
| 2017 | 0.540623% | 78,220,747 | 45,732,584 | 171.04% | 6.62% |

**TRIDENT TECHNICAL COLLEGE**
**SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS –**
**SOUTH CAROLINA RETIREE HEALTH CARE PLAN**
**FOR THE YEARS ENDED JUNE 30,**

| For the Year | Contractually required contribution | Contributions in relation to the contractually required contribution | Contribution deficiency (excess) | College's covered payroll | Contributions as a percentage of covered payroll |
|---|---|---|---|---|---|
| 2026 | $ 3,420,286 | $ 3,420,286 | $ - | $ 56,091,017 | 6.10% |
| 2025 | 3,238,533 | 3,238,533 | - | 51,532,577 | 6.28% |
| 2024 | 3,160,618 | 3,160,618 | - | 48,807,330 | 6.48% |
| 2023 | 2,817,632 | 2,817,632 | - | 45,082,111 | 6.25% |
| 2022 | 2,624,815 | 2,624,815 | - | 41,997,041 | 6.25% |
| 2021 | 2,653,287 | 2,653,287 | - | 45,452,589 | 5.84% |
| 2020 | 2,839,505 | 2,839,505 | - | 45,432,075 | 6.25% |
| 2019 | 2,695,661 | 2,695,661 | - | 44,690,306 | 6.03% |
| 2018 | 2,390,820 | 2,390,820 | - | 44,527,819 | 5.37% |
| 2017 | 2,225,065 | 2,225,065 | - | 45,598,875 | 4.88% |

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
## FOR YEAR ENDED JUNE 30, 2026

South Carolina Retiree Health Care Plan

*Changes of Assumptions:* The discount rate changed from 3.97% as of June 30, 2024 to 5.05% as of June 30, 2025.

South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF)

In prior years, SCLTDITF amounts were not separately included in the College's financial statements or required supplementary information because they were determined to be immaterial. In fiscal year 2026, the College included SCLTDITF amounts in its reported OPEB balances and related Note 7 disclosures. The SCLTDITF amounts remain immaterial to the College's financial statements; accordingly, separate SCLTDITF required supplementary information schedules are not presented.