

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, March 31, 2026 – 9:30 a.m.

Room 252, Edgar A. Brown Building

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A.	MEETING OF STATE FISCAL ACCOUNTABILITY AUTHORITY	
B.	ADOPTION OF PROPOSED AGENDA	
C.	MINUTES OF PREVIOUS MEETING	
D.	REGULAR SESSION	
1.	State Treasurer's Office	Bond Counsel Selection
2.	State Auditor	Communication with those charged with Governance
3.	Department of Administration, Facilities Management and Property Services	Permanent Improvement Projects
4.	Department of Administration, Facilities Management and Property Services	South Carolina Department of Public Safety Lease of 33 Villa Road, Suite 200, Greenville, SC
5.	Department of Administration, Facilities Management and Property Services	South Carolina Department of Social Services Lease of 714 N. Pleasantburg, Greenville, SC
6.	Division of Procurement Services	South Carolina Education Lottery (SCEL) – Approval of Contract Duration, Central Gaming System
7.	Office of Attorney General	Legal Settlement of Litigation Related to Captain Sams Spit
8.	University of South Carolina and Department of Administration, Facilities Management and Property Services	Not Exceeding \$58,000,000 of General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), of the State of South Carolina
9.	Executive Director	Annual Report on State Housing Tax Credits

STATE FISCAL ACCOUNTABILITY AUTHORITY
Meeting of Tuesday, March 31, 2026 – 9:30 a.m.
Room 252, Edgar A. Brown Building

REGULAR SESSION AGENDA INDEX -- Page 2

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
10.	Insurance Reserve Fund	Insurance Rates
11.	State Fiscal Accountability Authority	Future Meeting

MEETING OF March 31, 2026

ITEM NUMBER 1, Page 1AGENCY: State Treasurer's OfficeSUBJECT: Bond Counsel Selection**CONDUIT/OTHER ISSUES:**

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$40,000,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Economic Development Revenue Bonds; Dragon Environmental Rock Hill, Inc; Series 2026	Dragon Environmental Rock Hill, Inc Conduit: SCJEDA	Pope Flynn - Bill Musser	Burr & Forman - Michael Seezen	2/19/2026
\$17,500,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Educational Facilities Revenue Bonds; East Link Academy Project; Series 2026	East Link Academy Project Conduit: SCJEDA	Haynsworth Sinkler Boyd - Brad Love	Pope Flynn - Joe Lucas	1/21/2026
\$71,000,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Economic Development Revenue Bonds; SFRI Victor Park Apartments LLC ; Series 2026	FRI Victor Park Apartments LLC Conduit: SCJEDA	Haynsworth Sinkler Boyd - Jeremy Cook Cantu Harden - Adam Harden	Howell Linkous & Nettles - Alan Linkous, Sam Howell	1/21/2026

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$58,000,000; State of South Carolina General Obligation State Institution Bonds (Issued on Behalf the University of South Carolina), Series 2026; McKissick Building Renovation	State of South Carolina (on behalf of the University of South Carolina)	Pope Flynn - Gary Pope	South Carolina Attorney General	2/20/2026

AGENCY: State Treasurer's Office

SUBJECT: Bond Counsel Selection

AUTHORITY ACTION REQUESTED:

In accord with Authority policy, receive the State Treasurer's Office report of bond counsel as information.

ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

**The State Treasurer advises the State Fiscal Accountability Authority, for informational purposes,
of the firms selected and approved for its March 31, 2026 meeting:**

CONDUIT/OTHER ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$40,000,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Economic Development Revenue Bonds; Dragon Environmental Rock Hill, Inc; Series 2026	Dragon Environmental Rock Hill, Inc Conduit: SCJEDA	Pope Flynn - Bill Musser	Burr & Forman - Michael Seezen	2/19/2026
\$17,500,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Educational Facilities Revenue Bonds; East Link Academy Project; Series 2026	East Link Academy Project Conduit: SCJEDA	Haynsworth Sinkler Boyd - Brad Love	Pope Flynn - Joe Lucas	1/21/2026
\$71,000,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Economic Development Revenue Bonds; SFRI Victor Park Apartments LLC ; Series 2026	SFRI Victor Park Apartments LLC Conduit: SCJEDA	Haynsworth Sinkler Boyd - Jeremy Cook Cantu Harden - Adam Harden	Howell Linkous & Nettles - Alan Linkous, Sam Howell	1/21/2026

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$58,000,000; State of South Carolina General Obligation State Institution Bonds (Issued on Behalf the University of South Carolina), Series 2026; McKissick Building Renovation	State of South Carolina (on behalf of the University of South Carolina)	Pope Flynn - Gary Pope	South Carolina Attorney General	2/20/2026

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF March 31, 2026

REGULAR SESSION
ITEM NUMBER 2

AGENCY: State Auditor

SUBJECT: Communication with those charged with Governance

Generally Accepted Governmental Auditing Standards (GAGAS) require communication with Governance concerning the audit of Annual Comprehensive Financial Report (ACFR). The attached communication addresses all matters required to be communicated related the audit of the ACFR for the year ended June 30, 2025. The financial statements were issued with a report date of January 28, 2026 and are available on the Office of the State Auditor website at osa.sc.gov/reports.

AUTHORITY ACTION REQUESTED:

Receive the communication from the Office of the State Auditor related to the audit of the ACFR for the year ended June 30, 2025, for the State with financial statements as information.

ATTACHMENTS:

Agenda item worksheet and attachment

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: 3/31/2025

Regular Agenda

1. Submitted by:

(a) Agency: SC Office of the State Auditor _____

(b) Authorized Official Signature: _____

Lee J. Mess

2. Subject: Communication with those charged with Governance

3. Summary and Background Information:

Generally Accepted Governmental Auditing Standards (GAGAS) require communication with Governance concerning the audit of Annual Comprehensive Financial Report (ACFR). The attached communication addresses all matters required to be communicated related the audit of the ACFR for the year ended June 30, 2025. The financial statements were issued with a report date of January 28, 2026 and are available on the Office of the State Auditor website at osa.sc.gov/reports.

4. What is the Authority asked to do? Receive the communication from the Office of the State Auditor related to the audit of the ACFR for the year ended June 30, 2025, for the State with financial statements as information.

5. What is recommendation of the submitting agency involved? Receive the communication from the Office of the State Auditor related to the audit of the ACFR for the year ended June 30, 2025, for the State with financial statements as information.

6. Private Participant Disclosure – Check only one:

No private participants will be known at the time the Authority considers this agenda item.

A Private Participant Disclosure form has been attached for each private participant. As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. Recommendation of other office (as required)?

(a) Authorized Signature: _____

(b) Office Name: _____

8. List of Supporting Documents:

Communication with Governance Report on Internal Control

9. Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop. Supporting documentation should include all related agreements or approval requests (e.g., leases, contracts, permanent improvements, indebtedness, agenda items), either current or anticipated; or provide affirmation from the submitting agency that there are no related transactions.



The Honorable Henry D. McMaster, Governor
Members of the State Fiscal Accountability Authority
and Members of the General Assembly
State of South Carolina
Columbia, South Carolina

We have jointly audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of State of South Carolina (the State) as of and for the year ended June 30, 2025, and have issued our report thereon dated January 28, 2026. Our report includes a reference to other auditors who audited the financial statements of certain agencies and component units of the State as described in our report on the State's financial statements. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement letter dated August 21, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the State of South Carolina are described in Note 1 to the financial statements.

As described in Note 2 to the financial statements, the State adopted new accounting guidance by adopting Governmental Accounting Standards Board (GASB Statement) No. 101, *Compensated Absences*, and Governmental Accounting Standards Board (GASB Statement) No. 102, *Certain Risk Disclosures*, both effective July 1, 2024.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- *Capital Assets and Depreciation Expense* – Capital assets are valued at historical cost or at estimated historical cost if actual historical data is not available. Donated capital assets are recorded at acquisition value on the donation date. Infrastructure assets acquired prior to fiscal years ended after June 30, 1980, are reported at estimated cost beginning in the year 1917.

Guidance found in implementation guides for GASB Statement No. 34 published by the Governmental Accounting Standards Board was followed in determining the useful lives for various asset classes including the depreciation of infrastructure. Depreciation was calculated under the straight-line method based on the useful lives. The State does not depreciate capitalized individual works of art and historical treasures determined to have inexhaustible useful lives.

We evaluated the key factors and assumptions used to estimate the useful lives for various asset classes including the depreciation of infrastructure in determining that it is reasonable in relation to the financial statements taken as a whole.

- *Net Other Post-Employment Benefits (OPEB) Plan Liability* – Management’s estimate of the OPEB liability (asset) is based on computations performed by outside specialists, including actuarial computations and assumptions that were relied upon to determine the Net OPEB Liability. We evaluated the key factors and assumptions used to develop the liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- *Allowance for Doubtful Accounts Receivable* – Allowances are estimated using historical collection experience. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.
- *Medicaid Claims Liability* – The payable for claims incurred but not reported or reported but not paid as of or prior to the fiscal year ended June 30, 2025, is estimated by the Department of Health and Human Services. This estimate uses actual claim payments made during the first two months of the subsequent fiscal year, for the claims that were incurred during the current fiscal year, and projects the results to the remaining ten months of the subsequent fiscal year using historical trends for claim payment activity to determine the current fiscal year’s estimated liability. We evaluated the key factors and assumptions used to develop the Medicaid claims liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- *Unclaimed Property Liability* – The liability related to unclaimed property is estimated by the State Treasurer’s Office. This estimate uses actual collections and claims payments made from inception through June 30, 2025, and projects the results to the current outstanding balance year using historical trends for claim payment activity to determine the current fiscal year’s estimated liability. We evaluated the key factors and assumptions used to develop the unclaimed property liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- *Incurred but Not Reported Claims* – Management’s estimate is based on computations performed by specialists, including actuarial computations and assumptions. We evaluated the key factors and assumptions used to develop the liability in determining that it is reasonable in relation to the financial statements as a whole.
- *Net Pension Liability* – Management’s estimate of the pension liability (asset) is based on computations performed by outside specialists, including actuarial computations and assumptions that were relied upon to determine the Net Pension Liability. We evaluated the key factors and assumptions used to develop the pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

- *Tax Refunds Payable* – Estimated using historical collection and refund experience. We evaluated the key factors and assumptions used to develop the liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- *Second Injury Claims Liability* – Management’s estimate is based on computations performed by specialists, including actuarial computations and assumptions, and actual claim payments made during the fiscal year. We evaluated the key factors and assumptions used to develop the liability in determining that it is reasonable in relation to the financial statements as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The material misstatements detected as a result of audit procedures and corrected by management are attached.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors’ report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated January 28, 2026, which is attached.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the entity’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the State's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our engagement.

Other audit findings or issues

We have provided a separate communication to you dated January 28, 2026, communicating internal control related matters identified during the audit.

Audits of group financial statements

We noted no matters related to the group audit that we consider to be significant to the responsibilities of those charged with governance of the group.

Quality of component auditor's work

There were no instances in which our evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work.

Limitations on the group audit

There were no restrictions on our access to information of components or other limitations on the group audit.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the supplementary information, including the combining financial statements for the non-major governmental fund, proprietary fund, fiduciary fund, discretely presented component units and the general reserve fund budgetary schedule (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 28, 2026.

The Honorable Henry D. McMaster, Governor
Members of the State Fiscal Accountability Authority
and
Members of the General Assembly
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Other information included in annual reports

Other information (financial or non-financial information other than the financial statements and our auditors' report thereon) is included in your annual report and is comprised of the introductory section and statistical section.

Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

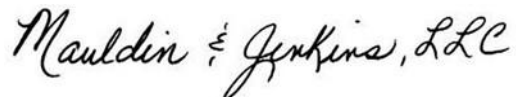
* * *

This communication is intended solely for the information and use of the parties addressed above, and management of State of South Carolina and is not intended to be, and should not be, used by anyone other than these specified parties.

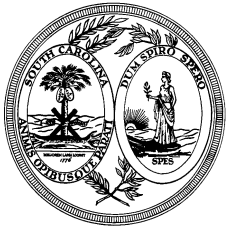
Please contact Sue F. Moss, Interim State Auditor, or Tim Lyons, Partner at Mauldin & Jenkins, if you have any questions regarding the matters included in this letter.



Columbia, South Carolina
January 28, 2026



Columbia, South Carolina
January 28, 2026



State of South Carolina
Office of Comptroller General

1200 Senate Street
305 Wade Hampton Office Building
Columbia, South Carolina 29201

Telephone: (803) 734-2121
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E-Mail: cgooffice@cg.sc.gov

BRIAN J. GAINES
COMPTROLLER GENERAL

January 28, 2026

Mauldin & Jenkins, LLC
508 Hampton Street, 1st Floor
Columbia, South Carolina 29201

Sue F. Moss, CPA
Interim State Auditor
South Carolina Office of the State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

This representation letter is provided in connection with your audit of the financial statements of the State of South Carolina (the State), which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of January 28, 2026, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of our engagement letter dated August 21, 2025, and South Carolina 2024-2025 Appropriations Act Section 97.2, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all

component units required by generally accepted accounting principles to be included in the financial reporting entity.

3. We acknowledge and have fulfilled our responsibility 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.
4. We acknowledge the State's responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP. While our estimates are reviewed periodically, estimates could change materially within the next year.
6. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events occurring subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the State is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

11. We have provided you with:
 - a) Access to all information, of which we are aware, is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) All minutes, which we make available to you at www.sfaa.sc.gov, of the meetings of the State Fiscal Accountability Authority, except that you must obtain summaries of actions for recent meetings for which minutes have not yet been prepared from the Secretary of the State Fiscal

Accountability Authority because our office customarily is not provided such summaries before the Authority's official minutes are drafted.

- e) All communications, of which we are aware, from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with the provisions of laws, regulations, contracts, and grant agreements.
 - f) Access to all audit or relevant monitoring reports of which we are aware, if any, received from funding sources.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
 13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We understand the term "fraud" includes misstatements arising from fraudulent reporting and misstatements arising from misappropriation of assets. Misstatements arising from fraudulent financial reporting are intentional misstatements, or omissions of amounts or disclosures in financial statements intended to deceive financial users. Misstatements arising from misappropriations of assets involve the theft of the State's assets where the effect of the theft causes basic financial statements not to be presented in conformity with U.S. GAAP.
 14. Except for what we disclosed to you in our meeting on January 21, 2026, we have no knowledge, nor have we been informed by State investigative agencies (including the State Inspector General's Office and the State Law Enforcement Division), of any fraud or suspected fraud that affects the entity and involves:
 - a) Management;
 - b) Employees who have significant roles in internal control; or
 - c) Others when the fraud could have a material effect on the financial statements.
 15. Except for what we have disclosed to you, we have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations and provisions of contracts and grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
 16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
 17. There are no unasserted claims or assessments that we have been advised of that are probable of assertion and required to be disclosed that have not been previously reported to you. In addition, there are no other material liabilities or gains or loss contingencies that are required to be disclosed that have not been disclosed in the financial statements or previously disclosed to you.
 18. We have disclosed to you the identity of the State's related parties and all the related party relationships and transactions of which we are aware. We understand that the term "related party" refers to

affiliates of the State; entities for which investments are accounted for using the equity method by the State; and trusts for benefit of employees, such as pension and other post-employment benefit trusts that are managed by or under the trusteeship of management.

Government-specific

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have a process to track the status of audit findings and recommendations.
21. We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
22. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
23. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
24. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.
25. The State has no material amounts of obsolete, damaged, or unusable items included in inventories at greater than salvage values.
26. The State has no loss to be sustained as a result of other-than-temporary declines in the fair value of investments, except for the amounts that have been reflected in the financial statements.
27. The State has no transfers, reservations or designations of fund equity or interfund borrowings that were not properly authorized and approved, or uncollectible interfund loans that have not been properly reflected in the financial statements or disclosed to you.
28. We have no knowledge that during the year the amount of “uncollateralized” deposits or “uninsured, unregistered securities held by the counterparty, or by its trust department or agent but not in the State’s name” significantly exceeded the amounts in those categories as of the financial statement date.
29. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date and have been reduced to their estimated net realizable value.

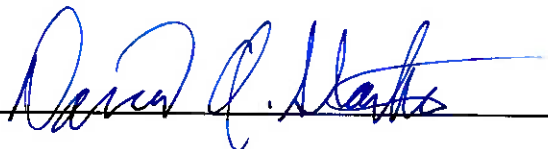
30. The State has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred outflows and inflows of financial resources, fund balance, or net position.
31. Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility. Impairment loss and insurance recoveries have been properly recorded.
32. The State is responsible for determining the fair value of certain investments as required by Governmental Accounting Standards Board (GASB) Statements. The amounts reported represent the State's best estimate of fair value of investments required to be reported under the Statements. The State also has disclosed the methods and significant assumptions used to estimate the fair value of its investments, and the nature of investments reported at net asset value or amortized cost, as applicable.
33. The State has identified and properly accounted for all nonexchange transactions.
34. The following information about financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk, if applicable, has been properly disclosed in the basic financial statements:
 - a) The extent, nature, and terms, of financial instruments with off-balance sheet risk;
 - b) The amount of credit risk for financial instruments with off-balance sheet credit risk and information about the collateral supporting such financial instruments.
 - c) Significant concentrations of credit risk arising from all financial instruments and information about the collateral supporting such financial instruments.
35. We believe that all material expenditures that have been deferred to future periods will be recoverable.
36. The State has complied with all debt-related covenants.
37. We have received opinions of counsel upon each issuance of tax-exempt bonds that the interest on such bonds is exempt from federal income taxes under the Internal Revenue Code of 1986, as amended. There have been no changes in the use of property financed with the proceeds of tax-exempt bonds, or any other occurrences, subsequent to the issuance of such opinions, that would jeopardize the tax-exempt status of the bonds. Provision has been made, where material, for the amount of any required arbitrage rebate.
38. We believe that the actuarial assumptions and methods the State uses to measure pension and other post-employment benefit plan liabilities, related deferred inflows and outflows, and costs for financial accounting and disclosure purposes are consistent with prevailing assumptions and methods used.
39. We believe the methodology used to measure the State's Medicaid liability was consistent with the prior year and is proper based on available data and that there have not been any material subsequent claims or events that would require a change in that methodology.


40. We have no knowledge that the State plans to make significant amendments to its pension or other post-employment benefit plans.
41. We are not aware of any pollution remediation obligations which would require an adjustment to, or disclosure in, the financial statements in accordance with GASB 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, except as already reported.
42. We are not aware of any intangible assets which would require an adjustment to or disclosure in the financial statements in accordance with GASB Statements, except as already reported.
43. We have properly accounted for financing arrangements that use derivatives in accordance with GASB Statements.
44. We have evaluated GASB Statement No. 77 *Tax Abatement Disclosures* and have determined that there are no tax abatements for which the State would have to disclose in the financial statements.
45. Methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures, including those measured at fair value, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
46. We have appropriately identified, recorded, and disclosed all leases, including any material embedded leases contained within other contracts, in accordance with GASB Statement No. 87.
47. We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASB Statement No. 91.
48. We have appropriately identified, recorded, and disclosed all subscription-based information technology arrangements in accordance with GASB Statement No. 96.
49. We have evaluated the facts and circumstances surrounding the Opioid settlement and believe the General fund or any special revenue funds of the State are not entitled to a receivable.
50. The State has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except as made known to you and disclosed in the financial statements.
51. The State is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the State of South Carolina, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
52. Except those that have been disclosed to you, we are not aware of any violations or possible violations of budget ordinances, laws and regulations, provisions of contracts and grant agreements, tax or debt

limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

53. We are not aware of any noncompliance with any restrictions on resources or on any aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance.
54. The State has followed all applicable laws and regulations in adopting, approving, and amending budgets.
55. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures, jointly governed organizations, and other related organizations.
56. The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
57. The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
58. All funds that meet the quantitative criteria in GASB Statements for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
59. Components of net position (net investment in capital assets; restricted; and unrestricted) and fund balance amounts are properly classified and, if applicable, approved.
60. Investments, derivative instruments, and land and other real estate held by endowments, as disclosed within their respective audited financial statements, are properly valued within the financial statements.
61. Provisions for uncollectible receivables have been properly identified and recorded.
62. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
63. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, additions to endowments, and transfers.
64. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
65. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.
66. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

67. We have appropriately disclosed the State's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
68. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period, except for the impact of the implementation of new accounting pronouncements as disclosed in the financial statements. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
69. We acknowledge our responsibility for the combining and other schedules presented in the financial statements as supplementary information (and listed as such in the table of contents) and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, except for the impact of the implementation of new accounting pronouncements as disclosed in the financial statements, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
70. We acknowledge our responsibility for the preparation of the other information included in our annual report, which is comprised of the introductory section and statistical section (other information). The other information is consistent with the financial statements and does not contain any material misstatements. With regards to the other information that has not been provided to you, the final version of the documents will be provided to you when available, and prior to issuance of the annual report by the entity, so that you can complete your required procedures. We agree to correct material inconsistencies that you may identify.
71. As described in the notes of the financial statements, the State has restated the prior year financial statements to correct for changes to the reporting entity. We have properly implemented the change and acknowledge responsibility for the adjustment, as they were stated within their respective audited financial statements.
72. For the funds identified in footnote 15 that required changes within the financial reporting entity, we have performed an assessment for these funds to ensure they are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes, and we believe these revenue sources are expected to continue to comprise a substantial portion of the inflows reported in the fund.

Signature:  Title: Director of Financial Reporting

Signature:  Title: Comptroller General

State of South Carolina ACFR Audit
 6/30/2025
 Adjusting Journal Entries

	Debit	Credit
Adjusting Journal Entry # 1		
To correct the reporting of net investment in capital assets within the Government-Wide Statement of Net Position.		
NET INVESTMENT IN CAPITAL ASSETS	1,724,423,000	
UNRESTRICTED NET POSITION		1,724,423,000
Adjusting Journal Entry # 2		
To correct a classification error made in the reporting of cash equivalents.		
INVESTMENTS	1,546,893,463.58	
CASH AND CASH EQUIVALENTS		1,546,893,463.58
Adjusting Journal Entry # 3		
To adjust an incorrect allocation of an asset to a deferred outflow for Public Service Authority.		
ASSET RETIREMENT OBLIGATION	502,000,000	
OTHER REGULATORY ASSETS		502,000,000

State of South Carolina

**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

June 30, 2025

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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Henry D. McMaster, Governor
Members of the State Fiscal Accountability Authority
and Members of the General Assembly
State of South Carolina
Columbia, South Carolina

We have jointly audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of South Carolina (the State) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State's basic financial statements and have issued our report thereon dated January 28, 2026.

The financial statements of the Connector 2000 Association, Inc, South Carolina Research Authority, InvestSC Inc., Public Service Authority and South Carolina Medical Malpractice Association, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Connector 2000 Association, Inc., South Carolina Research Authority, InvestSC Inc., Public Service Authority and South Carolina Medical Malpractice Association. Our report includes a reference to other auditors who audited the financial statements of certain agencies and component units of the State, which represent the indicated percent of total assets and deferred outflows and total revenues as described in our report on the State's financial statements and as presented in the following table. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

The Honorable Henry D. McMaster, Governor
 Members of the State Fiscal Accountability Authority
 and Members of the General Assembly
 State of South Carolina

	Percentage Audited by Mauldin & Jenkins, LLC Separately		Percentage Audited by the South Carolina Office of the State Auditor Separately		Percentage Audited by Other Auditors	
	Total Assets and Deferred Outflows of Resources	Total Revenue	Total Assets and Deferred Outflows of Resources	Total Revenue	Total Assets and Deferred Outflows of Resources	Total Revenue
Government-Wide						
Governmental Activities	50.14%	8.73%	0.06%	0.06%	1.17%	0.16%
Business-type Activities	-	-	-	-	92.15%	85.06%
Component Units	6.61%	17.62%	-	-	93.39%	82.38%
Fund Statements						
Governmental Funds	19.05%	8.40%	0.11%	0.06%	0.29%	0.18%
Enterprise Funds	-	-	-	-	90.61%	85.06%
Internal Service Funds	31.09%	5.02%	-	-	22.72%	2.30%
Fiduciary Funds	-	-	0.14%	0.22%	99.39%	98.36%

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State’s internal control. Accordingly, we do not express an opinion on the effectiveness of the State’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying findings as items 2025-001 and 2025-002 that we consider to be significant deficiencies.

The Honorable Henry D. McMaster, Governor
Members of the State Fiscal Accountability Authority
and Members of the General Assembly
State of South Carolina

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The State of South Carolina’s Response to Findings

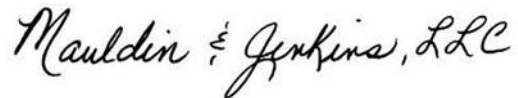
Government Auditing Standards requires the auditor to perform limited procedures on the State of South Carolina’s response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The State’s responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Columbia, South Carolina
January 28, 2026



Columbia, South Carolina
January 28, 2026

Significant Deficiencies

2025-001. Significant Deficiency in Financial Reporting–Preparation of Statewide Accounting Records – Comptroller General’s Office

Condition

Internal controls over financial reporting were inadequate to prevent or detect significant misstatements during the preparation of the State’s Annual Comprehensive Financial Report (ACFR) and in the supporting accounting records, requiring the Comptroller General’s Office (CGO) to post adjustments to the State’s ACFR.

Criteria

The CGO is responsible for compilation of the ACFR from reporting packages and audited financial statements submitted from State agencies. There were several misstatements in the compilation of the ACFR which were not detected or corrected by the CGO supervisory staff during the review process and as a result, audit adjustments were recorded.

Effect

Amounts included in the financial statements were inaccurate and as a result audit adjustments were required.

Cause

These errors were not detected during CGO supervisory staff review.

Repeat Finding

No.

Recommendation

We recommend the CGO review its current processes and procedures over identifying and recording adjustments related to reporting packages and other audited financial statements for inclusion in the statewide ACFR and strengthen its review procedures. Additionally, we recommend the CGO consider the purchase of software for accounting specific data extraction to assist with the automation of data sets from audited financial statement entities.

Views of Responsible Officials and Planned Corrective Action.

See management’s response.

2025-002. Significant Deficiency in Financial Reporting—Preparation of Statewide Accounting Records – State Treasurer’s Office

Condition

During our audit procedures, we noted that several significant adjustments by the Comptroller General’s Office (CGO) to components of the Annual Comprehensive Financial Report (ACFR) were required to ensure the State’s cash and investment balances are properly reported in accordance with Generally Accepted Accounting Principles (GAAP). Some of these adjustments were required because of current State Treasurer’s Office (STO) policies and procedures concerning the handling of cash and investments by accounting fund.

Criteria

Currently constructed policies and procedures require significant manual adjustments to ensure a complete and proper reconciliation of the State’s cash and investment balances between the way the various portfolios are maintained by the STO and the way cash and investments are presented in the ACFR in accordance with GAAP, specifically Governmental Accounting Standards Board (GASB) Statement No. 40 (*Deposit and Investment Risk Disclosures*) and GASB Statement No. 72 (*Fair Value Measurement and Application*).

Effect

The current process for reporting the State’s cash and investment balances requires the CGO to undertake an extensive manual process to incorporate the supporting documentation provided by the STO. Manual adjustments of this extent and magnitude increase the risk of misstatement in the ACFR. Furthermore, current practices create challenges regarding the understanding of differences between cash and investment portfolios maintained by the STO, and the presentation of those same cash and investments balances in the State’s ACFR for reporting conventions.

Cause

Although the STO provided cash and investment information to the CGO in the prescribed format required by the CGO, identification of any issues within individual ACFR GAAP funds for reporting purposes would not be identified until after the reporting package is completed, which is after the end of the fiscal year. This oversight is partially due to the STO not currently having a process by which the General Fund investment portfolio cash by each individual state agency and financial accounting fund is regularly reconciled from the financial module of the South Carolina Enterprise Information System (SCEIS) to the treasury management module (also known as NVEST). Additionally, the aggregation of individual investments into single investment portfolio lines in the financial reporting system requires extensive manual adjustments to the provided supporting documentation to allow for insertion in the ACFR and complicates the audit trail back to original records.

Repeat Finding

No.

2025-002. Significant Deficiency in Financial Reporting–Preparation of Statewide Accounting Records–State Treasurer’s Office (Continued)

Recommendation

We recommend that the STO work with the SCEIS application team to create reporting that would allow for clear visibility of statewide treasury pooled cash, budgetary cash authority, and agency held cash by financial accounting fund for reconciliation back to the treasury management module, treasury only funds, and external support.

Additionally, we recommend working with the SCEIS application team to separate the aggregated portfolio in the accounting system to allow for easier tracking of investment purchases and cash equivalents by accounting fund.

Finally, as the office responsible for maintaining the State’s cash and investment balances, we recommend that the STO continue to strengthen their knowledge of how their cash and investment reporting package information becomes incorporated into the ACFR for financial reporting and that they continue to work with the CGO and be more involved in the annual preparation of the statewide ACFR, specifically as it relates to the financial reporting process regarding cash and investments in accordance with GAAP. Although not all cash and investments presented in the ACFR are maintained with the STO, ideally the STO should be able to materially trace the totals they custodian to the totals presented in the ACFR, adding further assurance the amounts reported are accurate.

Views of Responsible Officials and Planned Corrective Action.

STO disagrees with the finding. See management’s response.

Auditors’ Conclusion

The Auditors disagree with the STO that the STO does not have responsibility to understand the financial reporting of cash and investments for the State. The finding as written does not call into question any current investment or liquidity practices of the STO. As noted in the recommendation of the finding, the Auditors understand that not all cash and investments in the ACFR are maintained by the STO, and that there are components of the financial reporting that the STO will not be able to calculate on its own. However, it is the stance of the Auditors that the STO should have the ability to materially verify the cash and investments as reported on the ACFR and understand the importance of budgetary cash authority on financial reporting. As records of the STO held cash and investments by budgetary authority are already housed in the statewide accounting system in real time, we do not believe a holistic understanding of how cash and investments move through financial reporting would require undue strain on the STO and would only serve to strengthen the internal controls of the State.

Management's Responses



State of South Carolina
Office of Comptroller General

1200 Senate Street
305 Wade Hampton Office Building
Columbia, South Carolina 29201

Telephone: (803) 734-2121
Fax: (803) 734-1765
E-Mail: cgooffice@cg.sc.gov

BRIAN J. GAINES
COMPTROLLER GENERAL

CHIEF OF STAFF

January 28, 2026

Ms. Sue F. Moss, CPA
Interim State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Mr. Tim Lyons, CPA
Mauldin & Jenkins, PLLC
508 Hampton St., 1st Floor
Columbia, South Carolina 29201

Dear Ms. Moss and Mr. Lyons:

For comment 2025-001:

The Comptroller General's Office (CGO) agrees with this finding. The identified reclassifications resulted in no changes to fund balance or net position. The CGO will examine these findings and incorporate the appropriate risk mitigation procedures within its ongoing process improvement activities with its third-party accounting and financial reporting consultant. The CGO began the transition to a new ACFR-writing software for the 2024 ACFR and greatly expanded its use for the 2025 ACFR. Its use will continue to be expanded over the next fiscal years as the CGO continues to engage its implementation consultant to identify and implement additional capacity and functionality.

If you have any questions, please contact me at (803) 734-2542 or email me at dstarkey@cg.sc.gov.

Sincerely,

David A. Starkey, CPA
Senior Assistant Comptroller General

DS/js

cc: Brian J. Gaines



THE HONORABLE CURTIS M. LOFTIS, JR.

State Treasurer

March 4, 2026

VIA E-MAIL ONLY

Ms. Sue F. Moss, CPA, Interim State Auditor
South Carolina Office of the State Auditor
1401 Main St., Suite 1200
Columbia, SC 29201

Mr. Timothy Lyons, CPA, Partner
Mauldin & Jenkins
508 Hampton St., 1st Floor
Columbia, SC 29201

Re: State Treasurer's Office Response to Audit Finding 2025-002

Dear Ms. Moss and Mr. Lyons:

This letter is provided on behalf of the State Treasurer's Office (STO) in response to Audit Finding 2025-002 "Significant Deficiency in Financial Reporting--Preparation of Statewide Accounting Records--State Treasurer's Office," related to the State's General Fund cash and investments as presented in the Annual Comprehensive Financial Report (ACFR).

As discussed in more detail below, STO disagrees with the finding for the following reasons:

- 1) The Comptroller General's Office (CGO) is responsible for the State's accounting policies and guidance, and the STO has complied with all CGO-provided policies and guidance;
- 2) ACFR preparation is the responsibility of CGO, and the STO has provided all information requested by CGO for this purpose, and has done so in a timely manner;
- 3) The finding fails to provide specific STO or CGO policies, or specific provisions of Governmental Accounting Standards Board (GASB) or Generally Accepted Accounting Principles (GAAP), which the joint auditors believe STO has not complied with, or specific examples of STO's non-compliance.

Notwithstanding our objections to the audit finding, the STO remains committed to improving efficiency and strengthening collaboration and transparency with both the CGO and the Joint Auditors. The STO supports and has made efforts to improve cooperation and communication regarding the ACFR and has pursued increased automation within the State's accounting system (SCEIS) to help streamline the ACFR preparation process.

The STO respectfully requests that the Joint Auditors consider this response (including the facts and context discussed) when evaluating the finding and its assignment:

Joint Auditors' Comment: *[A]s the office responsible for maintaining the State's cash and investment balances, we recommend that the STO continue to strengthen their knowledge of how their cash and investment reporting package information becomes incorporated into the ACFR for financial reporting and that they continue to work with the CGO and be more involved in the annual preparation of the statewide ACFR, specifically as it relates to the financial reporting process regarding cash and investments in accordance with GAAP. Although not all cash and investments presented in the ACFR are maintained with the STO, ideally the STO should be able to materially trace the totals they custodian to the totals presented in the ACFR, adding further assurance the amounts reported are accurate.*

STO Response: The STO strongly supports and has made efforts to improve efficiency, cooperation, and communication with the CGO related to the ACFR regarding cash and investments custodied by the STO, including but not limited to increased automation within SCEIS to streamline the CGO's ACFR preparation process. However, this audit finding assumes a level of authority over the ACFR policies and procedures, and the State's accounting system (SCEIS), which neither State law nor longstanding guidance has ascribed to the STO.

The CGO—not the STO—has the sole authority and responsibility to dictate the ACFR preparation process, and to maintain SCEIS such that it is capable of producing a GAAP-compliant ACFR. See Proviso 97.2. The CGO is required to maintain sufficient records “constituting a complete check upon” the STO. S.C. Code Ann. § 11-3-100. The STO does not have reciprocal authority or responsibility to serve as a complete check on the CGO. That responsibility—at least insofar as the ACFR is concerned—is expressly and narrowly assigned in statute: “Annually the State Auditor shall audit or cause to be audited the State's basic financial statements prepared by the Comptroller General of South Carolina.” S.C. Code Ann. § 11-7-20(B). In fact, the STO (and all other state agencies) are required to pay “...the State Auditor an amount representing an equitable portion of the expense of contracting with a certified public accounting firm to conduct a portion of the audit of the State's Comprehensive Annual Financial Report prepared by the Comptroller General's Office.” S.C. Code Ann. § 11-7-60.

Thus, to the extent that the Joint Auditors require “further assurance the amounts reported [in the ACFR] are accurate,” the CGO has the legal responsibility and authority to fulfill that requirement.

As for the STO's involvement in, or ability to ascertain the accuracy of, the CGO's presentation of cash and investments in the FY2025 ACFR, the CGO does not fully disclose and explain its ACFR adjustments to the STO. In fact, despite STO's prior requests, this year the CGO declined to provide the STO with the FY2025 ACFR until after business hours on January 28, 2026, the date of publication to the CGO's website. As of the date of this response, STO still does not have access to all of the CGO's adjustments to FY2025 ACFR cash and investments, or explanations regarding those adjustments.

Based on the limited transparency and collaboration the CGO allows the STO regarding the CGO's preparation of ACFR cash and investments, we requested, via our letter dated October 30, 2025, that the Joint Auditors focus on these adjustments during the audit to ensure that the adjustments were correct. Beyond informing the Joint Auditors of any areas that we believe should receive heightened scrutiny during the audit, the CGO's approach to ACFR preparation precludes the STO from being "able to materially trace the totals they custody to the totals presented in the ACFR," and "adding further assurance the amounts reported [in the ACFR] are accurate," as you have recommended.

Joint Auditors' Comment: *During our audit procedures, we noted that several significant adjustments by the Comptroller General's Office (CGO) to components of the Annual Comprehensive Financial Report (ACFR) were required to ensure the reporting of the State's cash and investment balances are properly reported in accordance with Generally Accepted Accounting Principles (GAAP).*

STO Response: We share your concern regarding the current CGO ACFR process which involves "significant [manual] adjustments" made by the CGO to components of the ACFR; however, any weakness in internal controls resulting from the size and/or nature of those adjustments is the responsibility of the CGO, and should not be attributed to the STO. In fact, due to the CGO's refusal to disclose and explain its ACFR adjustments to the STO, our ability to respond to this audit finding is limited.

As you know, in 2024, Mauldin and Jenkins (MJ) evaluated and commented on CGO's ACFR preparation processes, namely those related to the CGO calculations and adjustments to ACFR General Fund cash and investments. Similarly, in January of 2025, AlixPartners (AP) made additional recommendations to the CGO addressing these issues. In both instances, AlixPartners and Mauldin and Jenkins correctly assigned responsibility for these adjustments to the CGO. Implementation of their recommendations was codified into law by the General Assembly via S.C. Act No. 72.

Namely, AP 21 requires the CGO, not the STO, to "Assess all prior topside entries or other adjustments and disclosures related to offsets of negative cash balances to ensure compliance with relevant accounting standards." AP 16 requires the CGO to "Establish a policy outlining the situations in which the CGO is permitted to adjust information it receives from various agencies and a process by which such adjustments must be communicated to the affected agencies." AP 20 requires the CGO to "Establish a policy or procedure that outlines the CGO's position on accounting for negative cash (with relevant Generally Accepted Accounting Principles ("GAAP")/GASB citations) and the related accounting and disclosure requirements to ensure compliance and consistency in application." AP 13 requires the CGO to "Establish a process by which non-standard adjustments to cash and investments reported by AFS entities are identified and evaluated." AP 14 requires the CGO to "Establish a minimum standard for all accounting and financial reporting workpapers such that an external party can both understand and reperform the process. Documentation should include information sufficient to understand the purpose of the

workpaper and the source of the information.” AP 7 requires the CGO to “Provide training and related documentation to the STO that... should be sufficient to allow the STO to independently quantify the ACFR General Fund cash balance using information to which it already has access.”

Despite these consultants’ recommendations, the CGO’s description of their procedures for the FY2025 ACFR states that the STO does not have access to all of the information required to calculate cash, and suggests the CGO has no intent to provide it to the STO. For example, on page 15 of the CGO’s “Cash and Cash Equivalents for the ACFR General Fund -specific focus on Treasury Pooled Cash,” (approved by the State’s Independent Compliance Consultant, Forvis Mazars, on or about February 26, 2026), the CGO states

CGO prepared timing adjustments related to STO pooled cash. For FY2025, the CGO pulled cash transactions totaling \$306MM with a clearing date >6/30/2025 for the dates between 7/1/2025-8/11/2025. Of the \$306MM, the CGO booked for the ACFR GF a timing adjustment of \$424MM. Some of this balance requires specialized knowledge of AFS entities and what these respective entities posted on their financials as a due to/due from and **would not be able to be reperformed by someone outside of the [CGO’s] ACFR group.**

(emphasis added).

Most notably, on page 16 of the same CGO document, the CGO sets forth “the calculation of cash within the ACFR general fund,” noting that, “**only the Steps highlighted green are the amounts that STO can reasonably estimate.**” (emphasis added). Of the eight calculations listed, the CGO indicates that the STO could reasonably estimate only four, with the remaining calculations being CGO adjustments that the CGO does not fully explain or justify to the STO. Namely, page 17 indicates that the adjustments that CGO acknowledge the STO cannot “reasonably calculate” include adjustments of approximately \$1.7 billion, \$424.4 million, \$66.7 million, and \$39.9 million.

The fact that the CGO is capable of withholding— and is withholding— its calculations of and justification for these adjustments from STO is explicit evidence that the CGO is solely responsible for any weakness or deficiency resulting from the nature of their adjustments to ACFR cash and investments.

Joint Auditors’ Comment: *Currently constructed policies and procedures require significant manual adjustments to ensure a complete and proper reconciliation of the State’s cash and investment balances between the way the various portfolios are maintained by the STO and the way cash and investments are presented in the ACFR in accordance with GAAP, specifically Governmental Accounting Standards Board (GASB) Statement No. 40 (Deposit and Investment Risk Disclosures) and GASB Statement No. 72 (Fair Value Measurement and Application).*

STO Response: The STO disagrees that our policies and procedures are responsible for the CGO's adjustments to ACFR cash and investments.

In preparing its response to this finding, the STO requested that the Joint Auditors clarify its general references to GASB Statement No. 72 and GASB Statement No. 40 to identify the specific sections implicated in this finding. We understand the auditors are unable to point to specific standard language supporting the conclusion as stated. We also note the finding references "currently constructed policies" at a high level, without clearly specifying which policies (or which entity's policies) are being referenced or how they create the described risk.

Even with the additional context you provided in a meeting with STO staff, the language of this finding does not appear to describe a specific deficiency in STO's internal controls, processes, or procedures related to accounting and financial reporting for cash and investments. In the absence of specificity as to factual detail and clear GAAP support, we believe the finding would benefit from further clarification to align with GAS 6.51, which provides that findings should be developed and presented "to the extent necessary to assist management or the oversight officials of the audited entity in understanding the need for corrective action."

Joint Auditors' Comment: *The current process for reporting the State's cash and investments balances requires the CGO to undertake an extensive manual process to incorporate the supporting documentation provided by the STO. Manual adjustments of this extent and magnitude increase the risk of misstatement in the ACFR.*

STO Response: The STO is not responsible for any deficiency in internal controls caused by the CGO's time-consuming manual processes which the CGO designed, and to which only the CGO has complete visibility.

The CGO is legally responsible for the procedures related to ACFR preparation, and for establishing and enforcing accounting policy directives that ensure GAAP compliance. Proviso 97.2 states "the Comptroller General is directed, as the State Accounting Officer, to maintain an Enterprise Information System for State Government (SCEIS) that will result in... the preparation and issuance of the official financial reports for the State of South Carolina." Proviso 97.2 also states that "the Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP."

Additionally, the CGO alone dictates the manner in which STO reports cash and investments to the CGO for preparation of the ACFR. Pursuant to S.C. Code Ann. § 11-5-180, the State Treasurer shall, when required by the Comptroller General, "produce to him satisfactory statements of the cash in hand and furnish him promptly with the official information, duly certified, relative to any matter connected with the revenue and finance of the State." Proviso 98.18 requires that "the Office of the State Treasurer shall fully comply with information requested in the form of closing packages from the Office of the Comptroller General for the same purposes."

Numerous consultants, including prior joint auditors, have noted concerns for the CGO's "extensive manual process" and assigned responsibility for this concern to the CGO, alone. For fiscal year ending 2023, and numerous years prior, the State Auditor's "Report to Governance on the Audit of the State of South Carolina" noted that the CGO's processes are "manual and time consuming" and "based off review of the account coding and historical knowledge." In 2024, Mauldin and Jenkins observed, "The CGO mostly leverages Excel to develop the ACFR. The CGO does not currently utilize a technology solution to manage the ACFR development process. As a result, email is typically used to communicate, transfer, and submit files between the CGO and agencies, and the CGO must manually transfer large volumes of data into ACFR development templates." MJ 4 requires the CGO to procure a "technology solution(s) for managing and creating the ACFR."

Even in the absence of improvements in those areas, it remains the CGO's responsibility to address the extensive nature of ACFR preparation by sufficiently staffing their Financial Reporting division. Both AP 9 and MJ 7A require that the CGO hire additional employees within the Financial Reporting division "to prepare the ACFR and better distribute workloads."

These prior related findings and recommendations were appropriately assigned to the CGO because the CGO is legally responsible for SCEIS, the issuance of the ACFR, and the State's accounting policies.

As you have acknowledged, the STO provides complete, timely and accurate documentation to the CGO, in the format dictated by the CGO, in response to the CGO's requests for information related to ACFR cash and investments. If the STO had failed to provide such information, the CGO should have and would have informed us accordingly. It is the CGO's responsibility—not STO's, and not the Joint Auditors'—to dictate what information the CGO requires of the STO in its closing packages. If the Joint Auditors have recommendations regarding the CGO's closing packages, they must be addressed with and to the CGO.

Joint Auditors' Comment: *Although the STO provided cash and investment information to the CGO in the prescribed format required by the CGO, identification of any issues within an individual ACFR GAAP funds for reporting purposes would not be identified until after the reporting package is completed, which is after the end of the fiscal year. This oversight is partially due to the STO not currently having a process by which the General Fund investment portfolio cash by each individual state agency and financial accounting fund is regularly reconciled from the financial module of the South Carolina Enterprise Information System (SCEIS) to the treasury management module (also known as NVEST). Additionally, the aggregation of individual investments into single investment portfolio lines in the financial reporting system requires extensive manual adjustments to the provided supporting documentation to allow for insertion in the ACFR and complicates the audit trail back to original records.*

STO Response: We disagree with the assertion that STO's cash and investment reconciliation processes are likely to cause (partially or otherwise) delayed "identification [presumably by the

CGO] of any issues within an individual ACFR GAAP fund for report purposes...,” or necessitate the CGO’s “extensive manual adjustments... to allow for insertion in the ACFR.”

First and foremost, it is necessary to clarify that these concerns relate to the CGO’s calculation and presentation of General Fund cash and investments in the ACFR, and are not an indication of the STO’s failure or inability to reconcile actual cash and investments on hand. The STO has procedures which reconcile the financial module and treasury management module in SCEIS on a daily, monthly, and quarterly basis.

Second, your concern regarding the “aggregation of individual investments into single investment portfolio lines” suggests a misunderstanding regarding pooled cash and investments. The assignment of all specific assets in an investment pool (i.e. individual securities by CUSIP) to individual funds would represent far more than a new report in SCEIS. It would require a system-wide change in SCEIS operation. Moreover, it would represent a significant departure from the State’s successful and longstanding investment pooling methodology.

GASB 31, Paragraph 22, defines “Internal Investment Pool” as “An arrangement that commingles (pools) the moneys of more than one fund or component unit of a report entity.” Because the assets of the pool are commingled, GASB 31, Paragraph 11, states that the “**equity position** of each fund or component unit in an internal investment pool should be reported as assets in those funds and component units.” (Emphasis added.)

Outside of very limited exceptions which are not at issue here, there appears to be no basis in State law or accounting standards to support the assertion that an accounting fund, to which money is appropriated, “owns” any individual investment instrument held by the pool, or that there must be an audit trail establishing such ownership. Instead, that agency and fund has a claim to, or share of, equity in the pool. When the equity in the fund is drawn upon, that fund’s expenditure is paid indiscriminately by the pool’s overall liquidity.

STO carefully monitors fund liquidity in accordance with STO’s Comprehensive Investment Policy and cash management policy. STO is obligated to “invest and deposit funds from any source... to draw the best rate of interest obtainable.” S.C. Code Ann. § 11-13-30. STO’s pooled investment strategies, developed in accordance with Proviso 98.3 and S.C. Code Ann. § 11-9-660, have been incredibly successful in growing the State’s resources. For FY 2025, the STO’s efforts produced a \$477 million return in the General Fund Portfolio. Managing liquidity at the pool level allows the STO to take advantage of economies of scale, allowing more resources to be invested and produce returns, as encouraged by state law.

The STO does not believe it is appropriate to revise successful investment policies and procedures without clear GAAP or GASB guidance indicating that specific provisions of STO’s pooled investment policies and practices are noncompliant.

Joint Auditors’ Comment: *We recommend that the STO work with the [Department of Administration] SCEIS application team to create reporting that would allow for clear visibility*

of statewide treasury pooled cash, budgetary cash authority, and agency held cash by financial accounting fund for reconciliation back to the treasury management module, treasury only funds, and external support.

Additionally, we recommend working with the [Department of Administration] SCEIS application team to separate the aggregated portfolio in the accounting system to allow for easier tracking of investment purchases and cash equivalents by accounting fund.

STO Response: While the STO is certainly willing to meet with Department of Administration and the CGO to assess improving the system, an audit finding communicating these recommendations is more appropriately directed to the CGO as the entity responsible for preparation of the ACFR and ensuring SCEIS is designed to produce an accurate ACFR, and also the Comptroller General, as the State's Accounting Officer, and the Chairman of the SCEIS Oversight Committee.

Here again, we reiterate that the CGO has not articulated concern to STO regarding the visibility of "statewide treasury pooled cash, budgetary cash authority, and agency held cash by financial accounting fund..." nor has the CGO requested any change to the manner in which the STO reports these items for purposes of the CGO-created ACFR closing package. STO cannot reasonably be expected to act upon what we understand to be a speculative assertion of the CGO's preferences, particularly when the implementation of such a change would likely be extraordinarily costly to the State.

Moreover, the change you have proposed relates specifically to ACFR reporting, and as such, is subject to the Comptroller General's oversight as both the State's Accounting Officer, and as Chairman of the SCEIS Oversight Committee. Per Proviso 97.2, "the Comptroller General is directed, as the State Accounting Officer, to maintain an Enterprise Information System for State Government (SCEIS) that will result in... the preparation and issuance of the official financial reports for the State of South Carolina." Proviso 97.2 also states that "the Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP." Likewise, "The South Carolina Enterprise Information System Oversight Committee, as appointed by the Comptroller General, shall provide oversight for the implementation and continued operations of the system." S.C. Code Ann. § 11-53-20.

In the absence of evidence that STO's policies and procedures fail to comply with GASB or GAAP, or that the STO has somehow failed in its responsibility to report information as the CGO requests it, we believe this finding is also more appropriately assigned to the CGO.

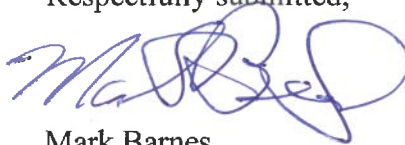
STO Action Taken in Response to Finding: STO will continue in its efforts to improve efficiency and strengthen collaboration and transparency with both the Joint Auditors and the CGO. Additionally, STO welcomes the opportunity to meet with the Joint Auditors and the CGO to align on clear roles, improve transparency into ACFR adjustments, and advance process improvements and automation that support accurate, timely, and auditable statewide reporting. STO will also join meetings with the CGO and DOA to discuss potential improvements to SCEIS. STO

Sue F. Moss, CPA, Interim State Auditor
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recommends meetings begin as soon as possible so that any resulting changes can be implemented and finalized before the FY2026 ACFR year-end audit.

If you would like to schedule a working session or to request any additional documentation, please feel free to contact me at your convenience.

Respectfully submitted,



Mark Barnes
Chief of Staff

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

The Authority is asked to approve the following permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Executive Budget Office as noted herein. All items were reviewed favorably by the Joint Bond Review Committee (JBRC).

- (a) Project: JBRC Item 1: Coastal Carolina University
 H17.9631: Health and Human Performance Building
- Request: Change Project Name, Revise Scope, and Establish Phase II Full Construction to construct a new building.
- Included in CPIP: Yes – 2025 CPIP Priority 9 of 9 in FY26 (estimated at \$60,100,000)
 Phase I Approval: April 2025 (estimated at \$53,100,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Penny Sales Tax	1,327,500		1,327,500	73,666,740	74,994,240
All Sources	<u>1,327,500</u>		<u>1,327,500</u>	<u>73,666,740</u>	<u>74,994,240</u>

Summary of Work: The project will construct a new building that will provide classrooms, laboratories, and administrative support/office space, as well as medical clinic for students, faculty, and staff to access healthcare needs. The original scope of work included an attached parking garage, however, during Phase I it was identified that additional building space is needed, and a surface parking lot will be more cost-effective. The new roof system has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The building to be constructed has expanded from approximately 64,000 square feet to 85,000 square feet to accommodate programming needs. The College of Health and Human Performance was established in 2022 and has a couple of the largest majors at the university. The University began enrolling students in its new Bachelor of Science in Nursing program in Fall 2024. The new building will make it possible for the program to have approximately 10,000 square feet of nursing simulation lab space which will increase the number of students who can be accepted into the program, as the lab space will assist in meeting the state requirements for applied practical experience. The University will be able to provide more of the required clinical hours on campus, thereby reducing the regional strain of clinical placements in the area.

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Facility Characteristics: The new building to be constructed will be approximately 85,000 square feet. It will house public health, nursing, health administration, exercise science, recreation and sport management, and sport management (master's degree). The current Health and Human Performance program enrollment includes approximately 1,900 student majors with more than 97 faculty members spread across 4 different buildings on campus.

Financial Impact: The project will be funded from Other, Penny Sales Tax Funds (uncommitted balance \$78.15 million at November 30, 2025). The Penny Sales Tax was approved in November 2008 and started March 1, 2009, and was effective until 2024 (15 years). The legislation guaranteed that the university will receive 13.3% of the sales tax collections. The Penny Sales tax was renewed on November 8, 2022, and will be effective for an additional 15 years (until 2039). The project is expected to result in an increase of \$535,757 (years 1 thru 3), in annual operating expenditures. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,983,886 over 30 years. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$210 per student per semester (instate), and \$475 per student per semester (out of state) and has decreased from \$505 between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$74,994,240 funded from Penny Sales Tax Funds. Contract execution is expected in September 2026 and completion of construction in August 2028.

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SUBJECT: Permanent Improvement Projects

- (b) Project: JBRC Item 2: Francis Marion University
H18.9595: Duck Ponds Land Transfer
- Request: Establish Final Land Acquisition to acquire +/- 8,460 acres in Florence and Darlington counties.
- Included in CPIP: No – The property was not available for purchase until after the 2025 CPIP submission process.
- Phase I Approval: February 2026 (estimated at \$22,663,500) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Maintenance Reserve	108,500		108,500		108,500
Other, SCOR Federal Climate Pollution Reduction Grant				20,500,000	20,500,000
All Sources	<u>108,500</u>		<u>108,500</u>	<u>20,500,000</u>	<u>20,608,500</u>

Rationale: If acquired, the property will serve as a field training environment for the university’s Forestry and Environmental Sciences programs. It will enhance the Forestry, Environmental Science, and Freshwater Ecology programs.

Characteristics: The “Duck Ponds” property includes four separate parcels. One parcel, totaling 246 acres, is located in Darlington County. Three other parcels, totaling 8,214 acres, are located in Florence County. There are no buildings located on the property. The property is located near the university’s main campus and Freshwater Ecology Center (FEC). It spans 8 miles along the Great Pee Dee River and provides a vast outdoor classroom and laboratory for hands-on learning in forest management, ecological monitoring, and interdisciplinary research. Proximity reduces travel costs and supports frequent fieldwork, while integration with the FEC advances river ecosystem studies. Per the university, by blending education, research, and public recreation, the university aims to create a model of academic innovation and sustainable management for the Pee Dee Region.

Financial Impact: The property is offered by Open Space Institute Land Trust for \$20,500,000. The acquisition will be funded from Other, SC Office of Resilience Federal Climate Pollution Reduction Grant Funds (uncommitted balance \$20.5 million at December 18, 2025). An appraisal was completed in July 2025 and valued the property at \$22,560,000. A Phase I Environmental Site Assessment was completed in September 2025 and found no evidence of recognized environmental conditions in connection with the property. A Building Condition Assessment is not required as there are no buildings located on the property. Letters of support have been received from Florence County, Florence School District 1, Darlington County,

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SUBJECT: Permanent Improvement Projects

and Darlington County School District. The land acquisition is expected to result in an increase of \$120,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$100 per student per semester, and a Facility Fee of \$100 per semester, neither of which have not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$20,608,500 funded from Capital Maintenance Reserve and Climate Pollution Reduction Grant Funds.

Other: Francis Marion University has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (c) Project: JBRC Item 3: South Carolina State University
 H24.9671: M. Maceo Nance Hall Renovation
- Request: Establish Phase II Full Construction Budget to renovate the building.
- Included in CPIP: Yes – 2025 CPIP Priority 7 of 7 in FY26 (estimated at \$15,000,000)
- Phase I Approval: June 2025 (estimated at \$15,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(16)(b), (Renovation of Dr. Maceo O. Nance Hall – Establishment of the New College of Agriculture, Family and Consumer Science)				15,000,000	15,000,000
Federal, USDA Agriculture Innovation Research Account				964,458	964,458
Other, Student Housing Improvement	300,000		300,000	(300,000)	
All Sources	<u>300,000</u>		<u>300,000</u>	<u>15,664,458</u>	<u>15,964,458</u>

Summary of Work: The project will renovate the exterior of the building to include 1) re-pointing, repairing, and sealing of exterior brickwork, stone or concrete; 2) repairing the existing asphalt paving, re-striping for handicapped parking, and re-grassing areas disturbed during construction; 3) construction of additional sidewalks; 4) full window restoration to include restoration of interior window trim; and 5) roof replacement. The interior finishes will be renovated to include 1) main interior corridors and stairwells on all floors; 2) new ceiling grid and tiles will be installed; 3) office finishes will be refreshed; 4) interior doors will be refinished; 5) new paint and flooring; 6) the bottom floor will be built out with new lab space, totaling 11,750 square feet; 7) interior lighting will be replaced with LED lighting fixtures to include emergency lighting. 8) new fire alarm system and sprinkler system will be installed; 9) HVAC will be replaced; 10) electrical will be updated; 11) elevator will be modernized; and 12) new plumbing fixtures will be installed, and bathrooms will be updated to meet ADA standards. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

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Rationale: The College of Agriculture, Family and Consumer Sciences was re-established in July 2021 and is the University's fastest growing College thus requiring dedicated space. Additionally, the University will begin an Animal Science and Pre-Veterinarian Program which is designed to serve as a feeder into the recently approved Veterinarian Program at Clemson University. The academic programs currently housed in the building will be relocated to new academic buildings being constructed on campus, thus freeing up space to house the College of Agriculture, Family and Consumer Sciences.

Facility Characteristics: The M. Maceo Nance Hall Building is 47,200 square feet and was constructed in 1974 (52 years old). The entire building will be renovated in this project. The building will house the College of Agriculture, Family and Consumer Services. An estimated 350 students, faculty, and staff are anticipated to utilize the renovated building.

Financial Impact: This phase of the project will be funded from FY26 Appropriated State (nonrecurring) (uncommitted balance \$15 million at February 20, 2026) and Federal, USDA Agriculture Innovation Research Account Funds (uncommitted balance \$5.81 million at January 29, 2026) The USDA Agriculture Innovation Research Account funds are received to support continuing agricultural research. The project is expected to result in a decrease of \$140,424 (year 1), \$402,379 (year 2), and \$686,328 (year 3), in annual operating expenditures. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,512,516 over 30 years. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$752 per student per semester, and has decreased from \$1,123 between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$15,964,458 funded from Appropriated State (nonrecurring) and USDA Agriculture Innovation Research Account Funds. Contract execution is expected in June 2026 and completion of construction in July 2027.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (d) Project: JBRC Item 4: University of South Carolina - Columbia
 H27.6159: Thomas Cooper Library Renovation
- Request: Change Source of Funds, Revise Scope, and Establish Phase II Full Construction Budget to renovate the library.
- Included in CPIP: Yes – 2025 CPIP Priority 3 of 15 in FY26 (estimated at \$50,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional Capital Project	975,000		975,000	(975,000)	
Other, Institutional				65,000,000	65,000,000
All Sources	<u>975,000</u>		<u>975,000</u>	<u>64,025,000</u>	<u>65,000,000</u>

Summary of Work: The project was established to renovate the west half of subterranean levels 1-4 and most of the main level, with enabling mechanical work on the roof, mezzanine and the 5th level. The work includes replacement of the entire mechanical system, installation of a fire sprinkler system, and upgrades to electrical and fire alarm infrastructure. Complete removal and replacement of the ceiling systems are also included. Other work will re-purpose and renovate areas to serve contemporary student needs that prioritize space for individual and group study of digital media over printed media. Stack spaces will be cleared to create larger student spaces on the main level and level 4 by relocating books to be mostly concentrated on the lower levels (1-3) of the library. Accessibility will be improved in renovated restrooms to comply with ADA guidelines. Asbestos abatement will occur as ceiling and floor finishes are replaced. Site utilities serving the building will also be replaced and upgraded as dictated by the mechanical electrical and plumbing infrastructure requirements. Appropriate academic support departments will continue to populate the library and some reconfiguration is expected. The revised scope will now complete the work in stages. This stage will allow for completion of the full design of the project in its entirety and approximately 65% of the scope of the project. The work will primarily include portions of levels 1-4 and the main level; however, work will also occur on the mezzanine level and level 5 in this first stage. Future stages of work on other portions of levels 1-5, main and mezzanine levels will be added as funding becomes available.

Rationale: The Thomas Cooper Library is an iconic building in the core of campus and must be renewed to continue serving its vital mission. The replacement and upgrades of mechanical HVAC equipment and ducts are essential to maintaining proper environmental conditions to support high occupant density and printed library collections. The high level of occupancy also mandates upgrades to life safety

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systems. The project will be sequenced over many logical stages between 2027 and 2032 to allow the building to continue to serve students and faculty throughout the renovation multi-year project.

Facility Characteristics: The Thomas Cooper Library is 283,595 square feet and was constructed in 1959 (67 years old). This stage of the project will renovate approximately 129,920 square feet. Approximately 37,000 students, faculty, staff, and local community use the library.

Financial Impact: This phase of the project will be funded from Institutional Funds (uncommitted balance \$175.67 million at February 11, 2026). Institutional Funds are the result of excess revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that permanent improvement expenditures do not impact annual recurring operations. The project is expected to result in a decrease of \$50,000 (year 1), and \$100,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$40 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$65,000,000 funded from Institutional Funds for this stage of the project. The total estimated cost of the project in its entirety is \$107,000,000 which will be funded from Institutional Capital Project Funds. Contract execution of this stage of the project is expected in June 2026 and completion of construction in December 2028. It is the strategic intent of USC to increase the budget of this project in 2027 as recurring and incremental funding can be added to complete the scope of work on levels 1-4, level 5, and the mezzanine between 2028 and 2032.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (e) Project: JBRC Item 5: University of South Carolina – Columbia
 H27.6161: Barnwell College Renovation
- Request: Establish Phase II Full Construction Budget to comprehensively renovate the interior of the building.
- Included in CPIP: Yes – 2025 CPIP Priority 6 of 15 in FY26 (estimated at \$43,630,000)
 Phase I Approval: February 2025 (estimated at \$43,630,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional	700,000		700,000	37,800,000	38,500,000
All Sources	<u>700,000</u>		<u>700,000</u>	<u>37,800,000</u>	<u>38,500,000</u>

Summary of Work: The project will complete a transformational renovation of the interior of the building. New floor layouts will require gutting the existing interior leaving only the exterior walls and structural system intact. New layouts will create extensive learning and faculty environments. All building systems that are at the end of their service life will be comprehensively renovated. For life-safety and accessibility infrastructure, a sprinkler system, new ADA compliant restrooms, and a new fire alarm system will be installed. A new elevator will be installed as the budget will permit. Asbestos and lead paint will be abated. Minimal work is expected to occur at the exterior as the facades and the roof were renovated several years ago; however, an Ionic column capital requires restoration, and windows will be restored at the rotunda requiring localized patching and repainting of the stucco. The adaptive renovation will allow the University to make interior configurations, which will add additional classrooms and update meeting rooms, faculty labs, offices and support spaces. Site utility replacement will be included to connect Barnwell College to the Gibbes Green district utility infrastructure.

Rationale: Barnwell College is the last remaining Gibbes Green building that has not been renovated since the 1980s. Per the university, the building has an interior layout that does not support a modern academic program. Building systems are at, or nearing, life expectancy, and the building does not comply with current life safety and accessibility codes.

Facility Characteristics: Barnwell College is 58,623 square feet and was constructed in 1910 (116 years old). The building houses the Department of Psychology, Women’s and Gender Studies, research space, computer labs, study lounge seating, meeting space, and office spaces. Barnwell College is estimated to have over 1,300 students, faculty, staff and visitors annually.

Financial Impact: The project will be funded from Other, Institutional Funds (uncommitted balance \$175.67 million at February 11, 2026). Institutional Funds are the result of excess

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revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that permanent improvement expenditures do not impact annual recurring operations. The renovation will be completed to meet Two Green Globes certification standards with anticipated energy savings of \$602,641 over 30 years. The project is expected to result in a decrease of \$25,000 (year 1) and \$50,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Although not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$40 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$38,500,000 funded from Institutional Funds. Contract execution is expected in December June 2026 and completion of construction in August 2028.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (f) Project: JBRC Item 6: University of South Carolina - Columbia
 H27.6166: 555 Williams Street Land Acquisition
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of +/- 14.88 acres in Richland County.
- Included in CPIP: No – The university was not aware that the Williams at Blossom LLC which is wholly owned by the USC Development Foundation wanted to sell the land to the university during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

Rationale: Acquisition of this property would ensure adequate parking is maintained to support the Founders Park baseball stadium and commuter parking on non-game days.

Characteristics: The property is contiguous to the baseball stadium and currently used by the university for commuter and game day parking. There are no structures located on the property.

Financial Impact: The property is offered by Williams at Blossom LLC which is wholly owned by the USC Development Foundation for not more than appraised value, which is anticipated to be \$7,500,000. The due diligence activities will be funded from Other, Institutional Funds (uncommitted balance \$175.67 million at February 11, 2026). Institutional Funds are the result of excess revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that permanent improvement expenditures do not impact annual recurring operations. If acquired, no construction or renovations will be completed on the property because it is already in suitable shape for use. The acquisition is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$40 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$7,520,000 (internal) funded from Institutional Funds.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (g) Project: JBRC Item 7: University of South Carolina - Upstate
 H34.9561: Track and Field Construction
- Request: Establish Phase I Pre-Design Budget to make track and field improvements.
- Included in CPIP: Yes – 2025 CPIP Priority 3 of 5 in FY26 (estimated at \$6,250,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional				90,000	90,000
All Sources				<u>90,000</u>	<u>90,000</u>

Summary of Work: The project will provide site improvements to include grading and storm-water management to create a competition 9-lane dedicated track facility with an oval-shaped synthetic surface at the northwest quadrant of the campus. Other field improvements will support Olympic sports including various throwing events, jumping events, and pole vaulting. A timing system, fencing, and minor adjustments to sidewalks and paving will be provided.

Rationale: The project is in accordance with the USC Upstate Master Plan and is a priority for the campus to improve their facilities to support track and field events by maximizing underutilized recreation space. The University is currently utilizing two local high school facilities in the Spartanburg area. The new facility would allow for sports teams to meet on campus and offer collegiate level competition and training facilities for the student athletes.

Facility Characteristics: USC Upstate has varsity men’s and women’s track and field teams. There are nearly 100 student athletes combined between these two teams. In addition, with campus recreation using the space with the student body and patrons attending meets, the University has estimated another 100 individuals will utilize the space.

Financial Impact: The project will be funded from Institutional Funds (uncommitted balance \$36.59 million at February 15, 2025). Institutional Funds are the result of excess revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that permanent improvement expenditures do not impact annual recurring operations. If acquired, no construction or renovations will be completed on the property because it is already in suitable shape for use. The project is expected to result in an increase of \$24,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements,

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currently \$85 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$6,250,000 funded from Institutional Funds.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (h) Project: JBRC Item 8: University of South Carolina - Beaufort
H36.9521: Sandstone Building Renovation
- Request: Revise Scope and Increase Phase II Full Construction Budget to renovate the Sandstone Building.
- Included in CPIP: No – The need for the increase was unknown during the 2025 CPIP submission process.
- Phase I Approval: May 2023 (estimated at \$1,835,933) (Admin.)
Revise Scope, Change Project Name, and
Phase II Approval: September 2023 (estimated at \$9,035,933) (Admin.)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Appropriated State, Proviso 118.18 (B)(20), (Maintenance, Renovation, and Replacement)	27,538	1,808,395	1,835,933		1,835,933
FY22 Appropriated State, Proviso 118.18 (B)(20), (Maintenance, Renovation, and Replacement)				214,067	214,067
FY23 Capital Reserve (12), (Maintenance, Renovation, and Replacement)		7,200,000	7,200,000		7,200,000
FY22 Capital Reserve (14), (Maintenance, Renovation, and Replacement) (transfer from H36-9520)				1,200,000	1,200,000
FY23 Capital Reserve (12), (Maintenance, Renovation, and Replacement) (transfer from H36-9520)				800,000	800,000
All Sources	<u>27,538</u>	<u>9,008,395</u>	<u>9,035,933</u>	<u>2,214,067</u>	<u>11,250,000</u>

Summary of Work: The project was established to replace the roof and complete minor interior renovations. After establishment, the scope was revised to complete a refurbishment of the Sandstone Building which added interior renovations that included restrooms, HVAC systems, flooring, finishes and ceilings, exterior and interior doors and windows, café space renovation, drinking fountain replacement, LED lighting upgrades, mechanical, electrical and plumbing system replacement,

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I.T. Infrastructure, and furniture. This scope revision request will reconfigure the south wing of the building from office and conference room space to create an Instructional Chemistry Lab and Instructional Biology Lab. Structural enhancements at the connection between the roof structure and the exterior bearing walls will also be completed. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The renovations and replacements in this project will address prioritized maintenance and academic/instructional lab needs for this academic building on the Beaufort campus.

Facility Characteristics: The Sandstone Building is 22,341 square feet and was constructed in 1965 (61 years old). The building systems being replaced are original to construction of the building. It houses academic programs (classrooms, labs, offices), student support services and administrative services. An estimated 500 students, faculty and staff utilize the facility each semester.

Financial Impact: The increase will be funded from FY22 Appropriated State (nonrecurring) (uncommitted balance \$214k at December 22, 2025), FY22 Capital Reserve (uncommitted balance \$1.2 million at December 22, 2025), and FY23 Capital Reserve Funds (uncommitted balance \$800k at December 22, 2025). The project is expected to result in a decrease of \$50,000 (year 1) and \$100,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$47 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$11,250,000 funded from Appropriated State (non-recurring) and Capital Reserve Funds. Contract execution is expected in August 2026 and completion of construction in June 2028.

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SUBJECT: Permanent Improvement Projects

- (i) Project: JBRC Item 9: Medical University of South Carolina
H51.9855: College of Medicine Office and Academic Building
- Request: Change Source of Funds in this project to construct a seven story, approximately 187,000 square foot building at the corner of President and Bee streets.
- Included in CPIP: No – Change Source of Funds requests are not required to be included in the CPIP.
- Phase I Approval: April 2022 (estimated at \$172,000,000) (SFAA)
Phase II Approval: June 2023 (estimated at \$200,000,000) (SFAA)
Change Source of Funds: June 2025 (estimated at \$200,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Institution Bonds		85,000,000	85,000,000	(20,000,000)	65,000,000
FY22 Capital Reserve (22), (Maintenance, Renovation, & Replacement)		6,250,000	6,250,000		6,250,000
FY23 Capital Reserve (18), (Maintenance, Renovation, & Replacement)		25,000,000	25,000,000		25,000,000
FY25 Capital Reserve (20), (College of Medicine Academic Building)		22,000,000	22,000,000		22,000,000
FY26 Appropriated State, Proviso 118.22 (B)(26)(a), (College of Medicine Academic Building)				25,000,000	25,000,000
Other, Clinical Revenue	3,440,000	14,013,889	17,453,889	(12,692,566)	4,761,323
Other, Gifts		20,000,000	20,000,000		20,000,000
Other, Deferred Maintenance		9,000,000	9,000,000		9,000,000
Other, Institution Capital Project		15,296,111	15,296,111	7,692,566	22,988,677
All Sources	<u>3,440,000</u>	<u>196,560,000</u>	<u>200,000,000</u>		<u>200,000,000</u>

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Summary of Work: The project will construct a seven-story building with more than 50% being medical teaching space on the first three stories. Floors 4-6 are faculty offices and support spaces for students. Approximately 50% of the 7th floor will contain mechanical/electrical rooms with offices in the other half. The roof system has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty. Additionally, the project will expand the existing Basic Science Building mechanical room (MRE) to 6,000 square feet and install additional chill water capacity to supply the new College of Medicine Building needs. The existing 6,984 square foot Vince Moseley Building will be demolished as part of this project.

Rationale: The new building will allow the College of Medicine to consolidate faculty, staff, and students at one location to improve efficiency, student mentoring, and collaboration within the department.

Facility Characteristics: The new facility (which is not a replacement facility), will be approximately 187,000 square feet and will support the College of Medicine student education activities to include classrooms, study space, relaxation and wellness areas, a large auditorium, and programmatic teaching adjacencies. The College of Medicine Dean's Office including its education team, will be in this space, to allow for enhanced access by medical students. Several College of Medicine departments, comprised of faculty, staff, and trainees, will also be located within the proposed building. In responding to MUSC's master facility plan over the coming years, those academic departments may include the following: Anesthesia, Dermatology, Medicine, Neurology, Neurosurgery, Ob/GYN, Orthopedics, Otolaryngology, Pathology, Pediatrics, Radiology, Radiation Oncology, Surgery, and Urology. It is anticipated that approximately 1,075 faculty and staff plus students will utilize the space on a regular basis, with additional faculty and staff utilizing the building on a more ad hoc basis.

Financial Impact: This change source of funds request will remove some Institution Bonds and some Other, Clinical Revenue Funds, and replace with FY26 Appropriated State (nonrecurring) (uncommitted balance \$25 million at February 20, 2026) and Other, Institution Capital Project Funds (uncommitted balance \$26.91 million at December 31, 2025). Institution Capital Project revenue is excess debt service funds and remaining balances from closed projects. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$599,068 over 30 years. The project is expected to result in an increase of \$1,400,000 (year 1) and \$2,100,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. MUSC does not charge a separate plant improvement fee to the students.

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Full Project Estimate: \$200,000,000 funded from Institution Bonds, Capital Reserve, Clinical Revenues, Gifts, Deferred Maintenance, and Institution Capital Project Funds. Completion of construction is expected in November 2027.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (j) Project: JBRC Item 10: Medical University of South Carolina
H51.9872: MUSC Campus Connector Bridges
- Request: Change Source of Funds in this project to construct an elevated connector bridge.
- Included in CPIP: No – Change Source of Funds requests are not required to be included in the CPIP.
- Phase I Approval: November 2022 (estimated at \$34,399,710) (SFAA)
- Phase II Approval: August 2025 (estimated at \$55,168,738) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Capital Reserve (23), (Statewide Teaching Partnership) (Redirected. in FY23 Appropriated State, Proviso 23.5)		6,500,000	6,500,000		6,500,000
Other, Institutional Capital Reserve	950,000		950,000		950,000
Other, Clinical Revenue		16,414,369	16,414,369	(9,000,000)	7,414,369
Other, Capital Project Reserve		13,304,369	13,304,369	(9,000,000)	4,304,369
Other, SC Office of Resilience FY25 Appropriated State, Proviso 118.20 (B)(56), (Disaster Relief & Resilience Reserve Fund)		18,000,000	18,000,000		18,000,000
Other, SC Office of Resilience FY26 Appropriated State, Proviso 118.22 (B)(67)(b), (MUSC Charleston Medical District Elevated Walkway)				18,000,000	18,000,000
All Sources	<u>950,000</u>	<u>54,218,738</u>	<u>55,168,738</u>		<u>55,168,738</u>

Summary of Work: The project will construct an elevated connector bridge adjacent to Doughty Street from the 2nd floor of the Ashley River Tower to the 2nd floor of the Bioengineering Building. A connection will be made from this new bridge to the Thurmond Gazes Building. Once completed, all major campus buildings will be connected at the 2nd floor level. The roof to be installed has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty. The project

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will also relocate the existing underground swisslog tube system to the new connector bridge. This tube system is essential to the hospital lab operations and is compromised by its underground location in a flood prone area.

Rationale: The Charleston Medical District is spread out over 80+ acres and is located within the 100-year floodplain. The entire area is prone to flooding during storm events including hurricanes, tropical storms, heavy rain events, and sometimes even during normal high tide events. Once completed, the elevated walkway project will allow patients, care team members, and supplies to move freely from building to building during storm and flood events. This project will connect the entire MUSC Health campus network and provide safe passage to any emergency rooms or adult Level 1 Trauma centers via the helipad located on top of the Sean Jenkins Children's Hospital.

Facility Characteristics: The new connector bridge will total approximately 13,550 square feet and will be utilized by approximately 3,000 to 5,000 students, plus patients, faculty, and staff daily, with additional faculty and staff utilizing the bridge on a more ad hoc basis.

Financial Impact: This change source of funds request will remove some Other, Clinical Revenue and some Other, Capital Project Reserve, and will add Other, SC Office of Resilience FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$18 million at February 20, 2026). The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$59,210 over 30 years. The project is expected to result in an increase of \$250,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. MUSC does not charge a separate plant improvement fee to the students.

Full Project Estimate: \$55,168,738 funded from Capital Reserve, Institution Capital Project, Clinical Revenue, Capital Project Reserve and SC Office of Resilience Appropriated State (nonrecurring) Funds. Completion of construction is expected in June 2028.

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- (k) Project: JBRC Item 11: Central Carolina Technical College
 H59.6377: AMTTC Expansion
- Request: Establish Phase I Pre-Design Budget to renovate and expand the Advanced Manufacturing Technology & Training Center.
- Included in CPIP: Yes – 2025 CPIP Priority 6 of 8 in FY27 (estimated at \$16,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Capital Reserve (18)(q), (Maintenance, Renovation and Replacement – Sumter County)				100,000	100,000
All Sources				<u>100,000</u>	<u>100,000</u>

Summary of Work: The project will complete electrical and plumbing upgrades, ventilation, gas installation requirements, acoustics, installation of exhaust systems for emergency shop air evacuation and gas furnace training, sprinkler system modification, and installation of roll up doors to allow for equipment transport in and out of the space. All roofing material options will be evaluated during the Phase I process for the expansion. The renovations and new construction will be designed to meet Two Green Globes certification standards.

Rationale: Renovation and expansion of the building is needed to accommodate the consolidation of the HVAC programs into one facility and to allow for the relocation of the Welding and Automotive programs into the building. Additionally, the upgrades will also prepare the facility to house the electrical vehicle (EV) curriculum. The space where the Welding and Automotive programs are located will be utilized to improve the Computer Technology program, office space, and expand a multipurpose room.

Facility Characteristics: The Advanced Manufacturing Technology & Training Center is 90,808 square feet and was constructed in 1983 (43 years old). The building was acquired in 2012 and renovated in 2016 (10 years ago) in project H59-6059. Approximately 25,000 square feet of the building will be impacted by the project, and the building will be expanded by approximately 38,000 square feet. The building currently houses the industrial programs that include Machine Tool, Mechatronics, and Engineering Graphics. The renovated space will add the HVAC, Welding, and Automotive programs. The space will be utilized by an estimated 540 students and 60 employees each semester.

Financial Impact: This phase of the project will be funded from FY24 Capital Reserve Funds (uncommitted balance \$8.69 million to be released December 3, 2025). The project is expected to result in an increase of \$5,000 (year 1), \$6,000 (year 2), and \$7,000

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(year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$9.70 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$16,000,000 (internal). Phase II will be funded from \$8,594,430 in FY24 Capital Reserve and \$7,305,570 in FY25 Appropriated State (nonrecurring) Funds. While this project is fully funded from legislatively authorized funds, it is required to follow the Phase I/Phase II submission process per the JBRC roof policy.

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SUBJECT: Permanent Improvement Projects

- (I) Project: JBRC Item 12: Florence Darlington Technical College
 H59.6328: Construction & Industrial Trades Training Facility
- Request: Establish Phase II Full Construction Budget to construct a training facility.
- Included in CPIP: Yes – 2025 CPIP Priority 2 of 4 in FY27 (estimated at \$41,642,192)
- Phase I Approval: December 2024 (estimated at \$20,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY25 Capital Reserve (21)(c)(i), (Industrial Trades Training Facility)				2,200,000	2,200,000
FY24 Appropriated State, Proviso 118.19 (B)(20)(e), (Industrial Trades Training Facility)	150,000		150,000	9,850,000	10,000,000
FY25 Appropriated State, Proviso 118.20 (B)(c)(ii), (Industrial Trades Training Facility)				7,800,000	7,800,000
All Sources	<u>150,000</u>		<u>150,000</u>	<u>19,850,000</u>	<u>20,000,000</u>

Summary of Work: The project will construct a specialized training facility at the main campus that will include classrooms, labs, faculty offices, workstations, a breakroom and student lounge. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The college does not currently offer construction or electrical programs at the main campus due to limited capacity. The construction programs are currently offered at the Continuum in Lake City. Construction of a new facility will allow the college to offer construction programs and relocate the electrical program from a temporary location to the main campus. The college desires to expand and grow the electrical program from part time to full time.

Facility Characteristics: The new facility to be constructed will be approximately 33,236 square feet. It will be utilized by Carpentry, Electrical, Plumbing, Roofing, and Building Construction Trade programs. Additionally, it will be utilized for safety training.

Financial Impact: This phase of the project will be funded from FY25 Capital Reserve (uncommitted balance \$2.2 million at December 16, 2025), FY24 Appropriated State (nonrecurring) (uncommitted balance \$9.85 million at December 16, 2025), and

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FY25 Appropriated State (nonrecurring) Funds (uncommitted balance \$7,800,000 at December 16, 2025). The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,067,985 over 30 years. The project is expected to result in an increase of \$100,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$234 per student per semester and has decreased from \$270 between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$20,000,000 funded from Capital Reserve and Appropriated State (nonrecurring) Funds. This Phase II request is less than the 2025 CPIP submission because the amount included in the CPIP contemplated the construction of an approximately 73,090 square foot L shaped building that would house both Building Construction Trade programs and Industrial Engineering, Mechatronics, and Machining academic programs. Due to limited funding a separate project will be established at a later date as funding becomes available to construct an addition/expansion to the building being constructed in this project to house the Industrial Engineering, Mechatronics, and Machining academic programs. Contract execution is expected in January 2027 and completion of construction in January 2028.

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SUBJECT: Permanent Improvement Projects

(m) Project: JBRC Item 13: Greenville Technical College
 H59.6373: Center for Cybersecurity and AI

Request: Establish Phase I Pre-Design Budget to construct a new building to house the Center for Cybersecurity and Artificial Intelligence on the Benson Campus.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 2 in FY27 (estimated at \$45,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Capital Reserve (18)(e), (Maintenance, Renovation, and Replacement				675,000	675,000
All Sources				<u>675,000</u>	<u>675,000</u>

Summary of Work: The project will construct a new building adjacent to the Center for Health and Life Sciences. The new building will be constructed where UT 104 currently exists. UT 104 is being demolished in the summer of 2026 in a separate project (H59-6359). The building will include meeting spaces, offices, classrooms, labs, collaborative support spaces, etc. Technology will include display walls, 360 deg video capture, augmented reality setups for immersive AI and Cybersecurity learning. Open collaborative environments that will support new modes of interaction while also offering alternatives to enclosed spaces are being considered. The exterior will complement the adjacent Center for Health and Life Sciences Building. All roofing material options will be evaluated during the Phase I process and will conform to JBRC policy. The new building will be designed to meet Two Green Globes certification standards.

Rationale: The state-of-the-art facility will educate and train students through hands-on, real-world experiences to harness the power of AI and safeguard against cyber threats across the industrial business cycle by filling open related job opportunities across the state.

Facility Characteristics: The new building to be constructed will be approximately 100,000 square feet. It will be utilized by the School of Business and Technology, Arts and Sciences, Library/Advising, Engineering Technology, Cybersecurity and Artificial Intelligence. Approximately 500 students, faculty, and staff will utilize the building.

Financial Impact: This phase of the project will be funded from FY24 Capital Reserve Funds (uncommitted balance \$1.1 million at February 10, 2026). The project is expected to result in an increase of \$150,000 (year 1), \$75,000 (year 2), and \$50,000 (year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion

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of tuition is designated for capital improvements, currently \$100 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$45,000,000 (internal). Phase II will be funded from \$21,325,000 in Appropriated State (nonrecurring) and \$23,000,000 in College Plant Funds.

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SUBJECT: Permanent Improvement Projects

- (n) Project: JBRC Item 14: Horry Georgetown Technical College
 H59.6378: Construction of Technology, Computing, and Engineering Institute
- Request: Establish Phase I Pre-Design Budget to construct a new building on the Conway Campus.
- Included in CPIP: Yes – 2025 CPIP Priority 1 of 3 in FY27 (estimated at \$30,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, College Plant				450,000	450,000
All Sources				<u>450,000</u>	<u>450,000</u>

Summary of Work: The project will construct a new 3-story academic building that will include classrooms, labs, faculty offices, and student gathering/study space. It will be fitted with additional HVAC capabilities to accommodate the additional heat generated by advanced computing technologies. All roofing material options will be evaluated during the Phase I process. The building will be designed to meet Two Green Globes certification standards.

Rationale: Due to enrollment growth, there is a shortage of available space to support the high-tech, computing, cyber-security, civil and electrical engineering programs. The college has considered renovating existing spaces but no longer has the physical structures to renovate or otherwise support student demand. The programs are currently housed in Building 300 and Building 1000 on the Conway Campus. Once the programs are relocated, the vacant spaces will be used for general educational courses and will also support the Construction Project Management and Business programs.

Facility Characteristics: The building to be constructed will be approximately 30,000 square feet. The new building will house the Computer Technology, Cyber-Security, Artificial Intelligence, Civil Engineering, Electrical Engineering, and general education programs. The building will support 390+ students and 10-12 faculty.

Financial Impact: This phase of the project will be funded from Other, College Plant Funds (uncommitted balance \$108.41 million at November 21, 2025). College Plant Funds are an excess of revenues over expenses, accumulated over time for the purpose of funding building and infrastructure improvements. The project is expected to result in an increase of \$40,000 (year 1) and \$80,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.

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Full Project Estimate: \$30,000,000 (internal). Phase II will be funded from \$19,550,000 in College Plant and \$10,000,000 in Appropriated State (nonrecurring) Funds requested in the FY26-27 budget request process. If the additional funds are not appropriated the project will be fully funded from College Plant Funds.

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- (o) Project: JBRC Item 15: Midlands Technical College
 H59.6379: New Welding Building (Airport)
- Request: Establish Phase I Pre-Design Budget to construct a new facility adjacent to the current Welding Building.
- Included in CPIP: Yes – 2025 CPIP Priority 2 of 6 in FY27 (estimated at \$10,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(27)(k)(i), (Advanced Trades Center)				417,648	417,648
All Sources				<u>417,648</u>	<u>417,648</u>

Summary of Work: The project will construct a new facility adjacent to the current Welding Building and will include flex space that other programs could use or additional instruction space for the Welding Program. The new facility will house 70 student welding booths, four classrooms, four offices, a shop area and tool storage. All roofing material options will be evaluated during the Phase I process. The building will be designed to meet either LEED Silver or Two Green Globes certification standards.

Rationale: The Welding Program has outgrown the existing building. Per the college, for the fall semester, the program received 95 new applications but was only able to accept 30 students, resulting in 65 applicants being denied admission due to space limitations. Currently, the Welding Program operated 12 sections with 15 students per section. Constructing a new building will allow the program to expand and better meet student demand by doubling the capacity and supporting both credit and continuing education welding programs.

Facility Characteristics: The new building will be approximately 24,000 square feet. Approximately 4,000 square feet of the new building will be used as flex space. The new building will be utilized by the Welding Program, as well as other programs who may utilize the flex space in the building. It is anticipated that approximately 335 welding students and 5 faculty will utilize the building.

Financial Impact: This phase of the project will be funded from FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$13.9 million at February 20, 2026). The project is expected to result in an increase of \$180,000 (year 1), \$540,000 (year 2), and \$594,000 (year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital

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improvements, currently \$75 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$16,705,910 (internal). Phase II will be funded from \$13,488,417 in Appropriated State (nonrecurring) and \$2,799,845 in Local Funds. The Phase I amount requested is 2.5% of the estimated cost to complete the project and the additional amount will be used to cover the Construction Manager at Risk procurement method.

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SUBJECT: Permanent Improvement Projects

- (p) Project: JBRC Item 16: Midlands Technical College
H59.6382: AMSC Addition (Airport)
- Request: Establish Phase I Pre-Design Budget to expand the existing Advanced Manufacturing and Skilled Crafts Center (AMSC) Building.
- Included in CPIP: Yes – 2025 CPIP Priority 1 of 6 in FY27 (estimated at \$12,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(27)(k)(ii), (Maintenance, Renovation, and Replacement)				478,023	478,023
All Sources				<u>478,023</u>	<u>478,023</u>

Summary of Work: The project will construct a three-story expansion to the existing AMSC Building. The addition will include lab/shop, six classrooms and offices for faculty and staff. All roofing material options will be evaluated during the Phase I process. The addition will be designed to meet either LEED Silver or Two Green Globes certification standards.

Rationale: Current space limitations restrict annual enrollment to approximately 96 students in Building Construction, 72 in HVAC/R, and 56 in Applied Electrical, resulting in qualified students being unable to register each year. The AMSC addition will allow HVAC/R to relocate into the new area while enabling the Building Construction and Applied Electrical programs to expand within the existing AMSC Building, increasing overall capacity and reducing the number of students turned away due to facility limitations.

Facility Characteristics: The existing AMSC Building is approximately 35,000 square feet and was constructed in 2003 (23 Years old). The building was originally a warehouse and renovated in 2016. The addition to be constructed will be approximately 36,570 square feet. The addition will be utilized to house the HVAC/R program. It is estimated that approximately 650 students annually will utilize the expanded AMSC facilities across the Building Construction, Applied Electrical, and HVAC/R programs once fully operational. The facility will support approximately 11 full-time faculty members, along with multiple adjunct faculty and instructional staff as enrollment expands. Additionally, the space will be used by industry partners and employers who participate in advisory committees, job fairs, site visits, and workforce collaboration activities, further strengthening employer engagement and student placement outcomes.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

Financial Impact: This phase of the project will be funded from FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$12.5 million at February 20, 2026). The project is expected to result in an increase of \$127,500 (year 1), \$510,000 (year 2), and \$522,750 (year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$75 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$19,120,900 (internal). Phase II will be funded from Appropriated State (nonrecurring) Funds. Phase I amount requested is 2.5% of the estimated cost to complete the project and the additional amount will be used to cover the Construction Manager at Risk procurement method. While this project is fully funded from legislatively authorized funds, it is required to follow the Phase I/Phase II submission process per the JBRC roof policy.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (q) Project: JBRC Item 17: Spartanburg Community College
H59.6298: Cherokee Campus Spark Center
- Request: Establish Phase II Full Construction Budget to construct a new economic development building in Gaffney.
- Included in CPIP: Yes – 2025 CPIP Priority 1 of 7 in FY26 (estimated at \$20,000,000)
Phase I Approval: January 2024 (estimated at \$20,000,000) (SFAA)
Revise Scope &
Change Source of
Funds Approval: February 2025 (estimated at \$17,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Appropriated State, Proviso 118.19 (B)(20)(m), (Spark Centers)	300,000	(300,000)		4,000,000	4,000,000
FY24 Appropriated State, Proviso 118.19 (B)(20)(l), (Cherokee County Campus – Spark Center)		300,000	300,000	8,758,456	9,058,456
Other, Cherokee County				5,000,000	5,000,000
Other, Cherokee Economic Development				600,000	600,000
Other, College Plant				2,730,445	2,730,445
All Sources	<u>300,000</u>		<u>300,000</u>	<u>21,088,904</u>	<u>21,388,901</u>

Summary of Work: The project was established to construct a new economic development multi-use building consisting of offices and warehouse space. Subsequent to establishment, the scope was revised to scale back the size of the building due to rising construction costs and available funding to complete the project. This facility will have the ability to add additional space in the future. The roof to be installed has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: According to the college, there is considerable economic development activity in Cherokee County and surrounding areas and anticipated growth along the I-85 corridor between Charlotte and Atlanta. I-85 is presently being widened through Cherokee County that will further expand development along the corridor. The

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building will serve as a “soft landing” location for prospective Cherokee economic development.

Facility Characteristics: The Cherokee Campus is located in Gaffney. There are five (5) buildings located on campus. The new facility will be a 70,538 square foot single-story economic development building. It will be situated between the existing Harvey Peeler Academic Building and Interstate-85, as close to Interstate-85 as site conditions will allow. The warehouse space can be used for prospects’ general warehousing, light production, and worker hands-on-training. The offices will be used by the prospects for business management activities. The space will be used by 120 students and 20 staff daily.

Financial Impact: This phase of the project will be funded from FY24 Appropriated State (nonrecurring) (uncommitted balance \$17.89 million at December 30, 2025), Other, Cherokee County (uncommitted balance \$5 million at December 30, 2025), Other, Cherokee Economic Development (uncommitted balance \$600k at December 30, 2025), and College Plant Funds (uncommitted balance \$5.93 million at December 30, 2025). College Plant funds are annually funded based on overages from the college operating budget. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,840,623 over 30 years. The project is expected to result in an increase of \$150,000 (year 1) and \$300,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, there is no portion of tuition designated for capital improvements.

Full Project Estimate: \$21,388,901 funded from Appropriated State (non-recurring), Cherokee County, Cherokee Economic Development, College Plant Funds. Contract execution is expected in February 2027 and completion of construction in August 2028.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (r) Project: JBRC Item 18: Spartanburg Community College
 H59.6329: Cherokee Academic Building Construction
- Request: Establish Phase II Full Construction Budget to construct a new academic building on the Cherokee Campus.
- Included in CPIP: Yes – 2025 CPIP Priority 2 of 7 in FY26 (estimated at \$30,000,000)
 Phase I Approval: December 2024 (estimated at \$30,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated State, Proviso 118.19 (B)(27)(z), (Spartanburg Community College – Cherokee Campus)	300,000		300,000	19,700,000	20,000,000
FY25 Appropriated State, Proviso 118.20 (B)(21)(j)(i), (Cherokee County Campus)				10,000,000	10,000,000
Other, College Plant				7,636,891	7,636,891
All Sources	<u>300,000</u>		<u>300,000</u>	<u>37,336,891</u>	<u>37,636,891</u>

Summary of Work: The project will construct a new multi-story academic building. The first floor will contain a library that will be shared with Cherokee County Library System, a bookstore, café, Student Services Offices and a testing lab. The second floor will contain 12 classrooms and faculty offices. The third floor will contain 5,500 square feet of meeting space, executive offices and an outdoor roof deck meeting space. The building will be composed of two wings, joined by a three-story glass-enclosed lobby. The northeast entrance will feature amphitheater-style seating, and the southwest entrance will include a new parking lot and a roundabout drop-off/pick-up zone. The roof to be installed has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The new facility will support the growing needs of a qualified and prepared academic population for technical and life-long learning experiences for Cherokee County and the surrounding communities served.

Facility Characteristics: The Cherokee Campus is located in Gaffney. There are five (5) buildings located on campus. The new academic building will be 55,500 square feet. The building will be situated between the existing Harvey Peeler Academic Building and the

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Gaffney Board of Public Works “Peachoid”. The building will integrate academic programs, student services, and community focused spaces. It will be utilized by approximately 1,000 students, 15-20 faculty, and 15 staff. It is anticipated that the library will receive approximately 15,000 visitors per year.

Financial Impact: This phase of the project will be funded from FY23 Appropriated State (nonrecurring) (uncommitted balance \$19.7 million at December 23, 2025), FY25 Appropriated State (nonrecurring) (uncommitted balance \$10 million at December 23, 2025), and Other, College Plant Funds (uncommitted balance \$13.56 million at December 23, 2025). College Plant funds are annually funded based on overages from the college operating budget. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,959,586 over 30 years. The project is expected to result in an increase of \$174,577 (year 1) and \$349,154 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, there is no portion of tuition designated for capital improvements.

Full Project Estimate: \$37,636,891 funded from Appropriated State (nonrecurring) and College Plant Funds. Contract execution is expected in February 2027 and completion of construction in August 2028.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (s) Project: JBRC Item 19: Williamsburg Technical College
 H59.6380: Renovation of Building for Nursing/Allied Health
- Request: Establish Phase I Pre-Design Budget to renovate the recently acquired old hospital building.
- Included in CPIP: Yes – 2025 CPIP Priority 2 of 2 in FY26 (estimated at \$16,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY17 Capital Reserve (36), (Science and Technology Building)				300,000	300,000
All Sources				<u>300,000</u>	<u>300,000</u>

Summary of Work: The project will renovate the two-story building to create specialized labs for nursing, biology, and chemistry. General classrooms and some administrative and support offices will also be created. The building will be completely reduced to exterior framework and load bearing pillars and a comprehensive renovation of the facility’s major systems – including HVAC, electrical, plumbing, life-safety, and IT infrastructure will be completed. All roofing material options will be evaluated during the Phase I process. The renovations will be designed to meet either LEED Silver or Two Green Globes certification standards.

Rationale: This building was acquired to house the Allied Health Sciences programs. This renovation will bring the building up to current operational and safety standards and will allow the college to expand programs of study, classes and student enrollment. Per the college, 125+ qualified nursing students are turned away annually due to limited space.

Facility Characteristics: The old hospital building is 75,000 square feet and was constructed in 1964 (62 years old). The college acquired the building through project H59-6335 in October 2025. There have been several renovations and additions made since the original construction. The renovated building will house the Allied Health Sciences programs and will allow the college to expand programs of study, classes, and student enrollment. Additionally, some administrative and support staff will be relocated to the facility. An estimated increase of 150 students and 20 staff will be added to the current 68 full-time employees and 600 students.

Financial Impact: This phase of the project will be funded from FY17 Capital Reserve Funds (uncommitted balance \$3.48 million at December 19, 2025). The project is expected to result in an increase of \$200,000 (years 1 thru 3) in annual operating

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expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.

Full Project Estimate: \$20,000,000 (internal). Phase II will be funded from \$4,694,302 in Capital Reserve and \$15,005,698 in Appropriated State (nonrecurring) Funds.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (t) Project: JBRC Item 20: York Technical College
 H59.6381: 454 S. Anderson Road Property Acquisition
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of +/- 9.29 acres and two buildings in York County.
- Included in CPIP: No – The property was not available for purchase during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, YTC Foundation				50,000	50,000
All Sources				<u>50,000</u>	<u>50,000</u>

Rationale: Phase I project (H59-6356) to construct a new Health Science building and Phase I project (H59-6371) to construct a new Building Construction Trades building were established in 2025. Subsequent to establishment of those projects, the S. Anderson Road property became available for purchase. If acquired, the College could house both the Health Science and the Building Construction Trades programs on this property. In addition to these two programs, the College is in initial discussions with the Department of Commerce about the potential to bring Life Sciences programs to the College. Acquisition of this property would allow the College to create space for this program as well. This property would be beneficial for the expansion of programs that produce graduates that can fill high demand jobs in health care, life science, building construction trades, and industrial engineering technology industries. The proximity of this property to the current campus would align with the campus master plan while providing additional space for future programs that may be developed.

Characteristics: The property is located 300 feet east of the main campus in Rock Hill. The property includes an approximately 69,296 square foot four-story office building and an approximately 54,315 square foot annex one-story light industrial building that were both constructed in 1985 (41 years old). There are approximately 438 parking spaces located on the property.

Financial Impact: The property is offered by Rock Hill Business Technology Center, LLC for not more than appraised value which is anticipated to be \$6,500,000. The due diligence activities will be funded from Other, York Technical College Foundation Funds (uncommitted balance \$1.8 million at December 23, 2025). If the property is acquired, the two Phase I established projects would be rescoped from constructing new facilities to renovating the buildings located on the property for a total estimated cost of \$21,000,000. The acquisition is expected to result in an increase

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of \$100,000 (year 1) and \$250,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.

Full Project Estimate: \$6,930,000 (internal). The acquisition will be funded from Appropriated State (nonrecurring) Funds. The Preliminary Land Acquisition amount is \$50,000 to cover the required due diligence activities that are anticipated to exceed \$20,000. The estimated cost to acquire the property includes an additional \$380,000 to cover anticipated closing costs and attorney's fees.

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(u) Project: JBRC Item 21: South Carolina Law Enforcement Division
 D10.9535: CJIS HVAC Replacement

Request: Establish Phase II Full Construction Budget to replace HVAC units.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 6 in FY26 (estimated at \$454,678)
 Phase I Approval: August 2025 (estimated at \$454,678) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Record Search Fees	6,800		6,800	465,964	472,764
All Sources	<u>6,800</u>		<u>6,800</u>	<u>465,964</u>	<u>472,764</u>

Summary of Work: The project will replace nine (9) HVAC units in the IT /CJIS Facility with current commercial technology HVAC units suited for the application. The work will include demolition and removal of existing units and new piping.

Rationale: Seven of the existing units are residential style units rather than commercial units that would be properly suited. All units have exceeded their useful life.

Facility Characteristics: The IT /Criminal Justice Information Services facility is 14,490 square feet and was constructed in 1979 (47 years old). Eight of the units are between 20 and 21 years old, with the ninth unit being 11 years old. The new HVAC system will service the entire building. It houses SLED’s Data Center, Information Technology, Records, and CJIS Operations. It is utilized by 125 staff daily.

Financial Impact: The project will be funded from Other, Record Search Fees Funds (uncommitted balance \$10.34 million at January 15, 2026). Record Search Fee Funds are derived from background check fees charged to the public. The project is expected to result in a decrease of \$25,000 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$472,764 funded from Record Search Fees Funds. Contract execution is expected in July 2026 and completion of construction in December 2026.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (v) Project: JBRC Item 22: Department of Administration
 D50.6205: Calhoun Building - Office Space Renovations
- Request: Establish Phase II Full Construction Budget to complete office space renovations.
- Included in CPIP: Yes – 2025 CPIP Priority 3 of 32 in FY26 (estimated at \$1,641,410)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, FY23 Appropriated State, Proviso 118.19 (B)(48), Judicial (Court of Appeals New Courtroom and Office Space) (Redir. in FY26 Proviso 57.21)				886,000	886,000
All Sources				<u>886,000</u>	<u>886,000</u>

Summary of Work: The project will update the existing wall finishes and construct additional office spaces on the third, fourth, and fifth floors of the Calhoun Building. The work will include replacement of the existing wall covering, construction of new office spaces, including associated HVAC and electrical work, and the abatement of hazardous materials, as needed.

Rationale: The wall finishes are in poor condition and are showing wear and tear. Additional office space is required for new FTE Judicial Branch positions.

Facility Characteristics: The Calhoun Building is 96,672 square feet and was constructed in 1926 (100 years old). The third, fourth, and fifth floor of the Calhoun building, which is 38,213 square feet will be impacted by this project. The existing wall finishes were installed in 2011 (15 years old). The facility is utilized by 190 Judicial Branch personnel and various annual visitors.

Financial Impact: The project will be funded from Other, Appropriated State (nonrecurring) Funds (uncommitted balance \$1.64 million at December 5, 2025). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$886,000 (internal) funded from Appropriated State (nonrecurring) Funds. Contract execution is expected in October 2026 and completion of construction in June 2028.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(w) Project: JBRC Item 23: Department of Administration
D50.6206: Supreme Court Building - Basement Densification

Request: Establish Phase I Pre-Design Budget for office densification.

Included in CPIP: No – The need for the project was unknown during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Judicial Development				160,000	160,000
Other, Department of Administration Depreciation Reserve				20,000	20,000
All Sources				<u>180,000</u>	<u>180,000</u>

Summary of Work: The project will densify the office space in the basement of Supreme Court Building for use by the Judicial Branch. The work includes the reconfiguration of existing storage and office space, which will require demolition of existing walls, new ceiling and lighting, HVAC reconfiguration, electrical and plumbing reconfigurations, renovating the existing restrooms, new flooring and wall finishes, and the abatement of hazardous materials, as required.

Rationale: The basement has multiple storage areas that are no longer utilized by the Judicial Branch, and the Judicial Branch requires office space to accommodate additional FTE positions.

Facility Characteristics: The Supreme Court Building is 63,896 square feet and was constructed in 1921 (105 years old). It is a National Register Property and historic landmark building, which will require special attention to detail and preservation methods. The basement is 16,514 square feet and was last renovated over 30 years ago. The Supreme Court Building is utilized by approximately 50 Judicial Branch staff and various annual visitors.

Financial Impact: The project will be funded from Other, Judicial Development (uncommitted balance \$43.78 million at December 30, 2025), and Other, Department of Administration Depreciation Reserve Funds (uncommitted balance \$5.30 million at December 30, 2025). Judicial Development Funds are derived from other revenue sources which the Chief Justice has designated for judicial development. Depreciation Reserve Funds are derived from the rent account, which receives rent

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charged to agencies. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$9,300,000 (internal) funded from Judicial Development and Depreciation Reserve Funds. The Phase I amount requested is 1.93% of the estimated cost to complete the project and the additional amount will be used to cover hazardous materials testing and a facility wide HVAC study.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (x) Project: JBRC Item 24: Department of Administration
D50.6207: Columbia Mills Building – Reimagine the Experience Permanent Gallery Improvement
- Request: Establish Phase II Full Construction Budget to renovate gallery/exhibition spaces and program areas.
- Included in CPIP: Yes – 2025 CPIP Priority 27 & 28 of 32 in FY26 (estimated at \$25,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Appropriated State, Proviso 118.18 (B)(7)(a), (Permanent Gallery Renovation Phase II)				3,651,020	3,651,020
FY23 Appropriated State, Proviso 118.19 (B)(30)(a), (Permanent Gallery Renovation – Reimagine the Experience RTE - Phase III)				2,894,117	2,894,117
FY25 Appropriated State, Proviso 118.20 (B)(24), (Reimagine the Experience Permanent Gallery Improvement Project)				4,255,465	4,255,465
FY26 Appropriated State, Proviso 118.22 (B)(30)(a), (Reimagine the Experience Permanent Gallery Improvement Project)				14,199,398	14,199,398
All Sources				<u>25,000,000</u>	<u>25,000,000</u>

Summary of Work: The project will include the following: 1. Construction of a new passenger elevator, 2. New public stairways, 3. Updating existing thoroughfares to ensure ADA access, 4. Renovate existing restrooms, 5. Renovate existing exhibition areas, and 6. Construction of new exhibition areas, public programming areas, collection storage, special events areas and customer support areas. Construction will include demolition, constructing new walls and doorways, refinishing floors, installing new automated exhibit lighting systems, implementation of a new automated system for all guest areas, new electrical and data services, new wall finishes, associated plumbing, HVAC systems reconfigurations, outdoor pavement areas, outdoor shelters, guest improvements, and signage.

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SUBJECT: Permanent Improvement Projects

Rationale: In December 2025, the SC State Museum received approval to establish a project at Phase II for \$15,000,000 to redesign and renovate approximately 40,000 square feet of space on the 1st and 4th floors of the former Department of Public Health space and a portion of current Museum space on the 4th floor in the Columbia Mills building for new programming, exhibition, and special event use, in development of the new “Innovation Wing” concept around the Observatory. Since that time, the Museum determined that the proposed renovations would impact multiple building systems and, as such, they have closed the original project (H95-9508) and requested that the Department of Administration establish and manage the project. No funds were expended under H95-9508. According to the agency, the project will ensure that the facility is fully ADA accessible, and that the exhibitions and educational programs are engaging, informative, and compatible with current standards.

Facility Characteristics: The Columbia Mills building is approximately 285,223 square feet and was constructed in 1893 (133 years old). The entire building was renovated for current uses in 1988 (38 years ago). The entire building will be impacted by this project. The building is utilized by operations, collections & exhibitions, programs, school visits, camps, and special events. Approximately 235,000 employees and visitors utilize the building annually.

Financial Impact: The project will be funded from FY22 Appropriated State (nonrecurring) (uncommitted balance \$3.65 million at December 30, 2025), FY23 Appropriated State (nonrecurring) (uncommitted balance \$2.89 million at December 30, 2025), FY25 Appropriated State (nonrecurring) (uncommitted balance \$4.25 million at December 30, 2025), and FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$20 million at February 20, 2026). The project is not expected to result in any change in annual operating expenditures, because it is expected that additional operating costs have already been budgeted due to the new lease and resulting rent increase, and previous requests for additional recurring funds to operate the renovated museum. The bulk of additional costs should be additional rent and energy costs, which have been factored into the agency’s recurring appropriation.

Full Project Estimate: \$25,000,000 (internal) funded from Appropriated State (nonrecurring) Funds. This project is being requested for establishment at Phase II because it is fully funded from legislatively authorized funds. Contract execution is expected in January 2027 and completion of construction in June 2029.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (y) Project: JBRC Item 25: Department of Administration
D50.6190: State Library Building - Plaza Deck Repairs
- Request: Establish Phase II Full Construction Budget to complete repairs to the plaza deck of the building.
- Included in CPIP: Yes – 2025 CPIP Priority 22 of 32 of FY26 (estimated at \$650,000)
Phase I Approval: August 2025 (estimated at \$650,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State	14,750		14,750	927,650	942,400
All Sources	<u>14,750</u>		<u>14,750</u>	<u>927,650</u>	<u>942,400</u>

Summary of Work: The project will repair and replace the waterproof membrane below the plaza's brick pavers at the State Library. The work includes the removal of the existing plaza pavers, replacement of the underlying waterproofing membrane and reinstallation of the existing plaza pavers.

Rationale: The existing waterproof membrane is curled, damaged, and has open seams, preventing water from reaching the drains causing water intrusion in the stairwell entrances on all elevations and leaks in the basement and other areas.

Facility Characteristics: The State Library Building is approximately 60,494 square feet and was constructed in 1969 (57 years old). The plaza deck waterproofing is 6,700 square feet and is 15 years old. The building is utilized by approximately 45 SC State Library staff and various visitors daily.

Financial Impact: The project will be funded from Appropriated State Funds (uncommitted balance \$9.41 million at December 12, 2025). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$942,400 funded from Appropriated State Funds. Contract execution is expected in August 2026 and completion of construction in June 2027.

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SUBJECT: Permanent Improvement Projects

- (z) Project: JBRC Item 26: Department of Administration
 D50.6191: Sumter Street Building - Roof Replacement
- Request: Establish Phase II Full Construction Budget to replace the roof on the building.
- Included in CPIP: Yes – 2025 CPIP Priority 2 of 32 of FY26 (estimated at \$720,000)
 Phase I Approval: August 2025 (estimated at \$720,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State	10,800		10,800	743,200	754,000
All Sources	<u>10,800</u>		<u>10,800</u>	<u>743,200</u>	<u>754,000</u>

Summary of Work: The project will replace the roof on the building. The replacement roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The existing roof has undergone multiple repairs and the warranty for the repairs expired in 2018. It has exceeded its useful life expectancy and is experiencing multiple leaks. The roof is not eligible for elastomeric coating.

Facility Characteristics: The Sumter Street Building is approximately 37,501 square feet and was constructed in 1923 (103 years old). The existing roof is approximately 17,000 square feet and was partially replaced in 2006 (20 years ago) and came with a 10-year warranty which expired in 2016. The parapet wall system was repaired in 2015 and came with a 3-year warranty, which expired in 2018. The building is used by the SC Human Affairs Commission and the SC Arts Commission. Approximately 66 staff and various visitors daily utilize the building.

Financial Impact: The project will be funded from Appropriated State Funds (uncommitted balance \$9.41 million at December 12, 2025). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$754,000 funded from Appropriated State Funds. Contract execution is expected in September 2026 and completion of construction in June 2027.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(aa)Project: JBRC Item 27: Department of Administration
D50.6196: Columbia Mills Building - Generator Replacement

Request: Establish Phase II Full Construction Budget to replace the generator.

Included in CPIP: Yes – 2025 CPIP Priority 31 of 32 of FY26 (estimated at \$363,000)
Phase I Approval: December 2025 (estimated at \$363,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State				377,068	377,068
Other, Depreciation Reserve	9,000		9,000	34,932	43,932
All Sources	<u>9,000</u>		<u>9,000</u>	<u>412,000</u>	<u>421,000</u>

Summary of Work: The project will replace the emergency generator in the Columbia Mills Building.

Rationale: The generator has exceeded its life expectancy, continues to have operational issues, and maintenance parts are difficult to source.

Facility Characteristics: The Columbia Mills Building is approximately 445,494 square feet and was constructed in 1893 (133 years old). The generator was installed in 1986 (40 years ago) and provides power to life safety systems and the elevators at the facility. The Columbia Mills Building houses the State Museum, SC Confederate Relic Room & Military Museum, and the Department of Administration. It is utilized by approximately 235,000 employees and visitors on a yearly basis.

Financial Impact: This phase of the project will be funded from Appropriated State (uncommitted balance \$9.41 million at December 2025) and Other, Depreciation Reserve Funds (uncommitted balance \$5.30 million at December 2025). Depreciation Reserve Funds are derived from the rent account, which receives rent charged to agencies. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$421,000 funded from Appropriated State and Depreciation Reserve Funds. Contract execution is expected in September 2026 and completion of construction in June 2028.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(bb) Project: JBRC Item 29: Department of Corrections
 N04.9803: Camille Graham CI-Replace & Repair Administration Roof

Request: Establish Phase I Pre-Design Budget to replace the roof.

Included in CPIP: Yes – 2025 CPIP Priority 4 of 5 in FY26 (estimated at \$2,500,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(55)(d), (Deferred Maintenance)				7,500	7,500
All Sources				<u>7,500</u>	<u>7,500</u>

Summary of Work: The project will replace the roof on the Camille Graham Administration Building. All roofing material options will be evaluated during the Phase I process and will conform to JBRC policy.

Rationale: The existing roof has exceeded its useful life span and is in constant need of repairs.

Facility Characteristics: The Camille Graham Administration Building is 288,000 square feet and was constructed in 1974 (52 years old). The existing roof is approximately 24,000 square feet and was installed in 1996 (30 years old). The facility houses Camille Graham Administration, Medical and Visitation center. It is utilized by up to 100 people daily.

Financial Impact: The project will be funded from FY26 Appropriated State (non-recurring) Funds (uncommitted balance \$2.5 million at December 19, 2025). The project is expected to result in a decrease in annual operating expenditures, but that amount has not yet been determined.

Full Project Estimate: \$2,500,000 (internal) funded from Appropriated State (non-recurring) Funds. While this project is fully funded from legislatively authorized funds, it is required to follow the Phase I/Phase II submission process per the JBRC roof policy.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (cc) Project: JBRC Item 30: Department of Corrections
 N04.9804: Statewide – Add Water Metering Devices to 4 Buildings
- Request: Establish Phase I Pre-Design Budget to add water metering devices.
- Included in CPIP: Yes – 2025 CPIP Priority 1 of 5 in FY26 (estimated at \$2,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating				11,300	11,300
All Sources				<u>11,300</u>	<u>11,300</u>

Summary of Work: The project will add water metering devices to all toilets, sinks, and showers in Turbeville Remini dorm, Turbeville Lockup, Lee Lockup, and Kershaw Lockup.

Rationale: Per the agency, installation of water meters will cut water consumption by two thirds of today's consumption.

Facility Characteristics: The Turbeville Remini dorm is 29,470 square feet and was constructed in 1989 (37 years old). Turbeville Lockup is 39,304 square feet and was constructed in 1989 (37 years old). Lee Lockup is 54,035 square feet and was constructed in 1993 (33 years old). Kershaw Lockup is 2,248 square feet and was constructed in 1995 (31 years old). The equipment is all original to the facilities. These facilities are utilized by a total of 24 staff and 552 inmates daily.

Financial Impact: The project will be funded from Appropriated State, Operating Funds (uncommitted balance \$81.9 million at December 19, 2025). The project is expected to result in a decrease in additional operating costs, but those amounts have not yet been determined.

Full Project Estimate: \$2,500,000 (internal) funded from Operating Funds.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (dd) Project: JBRC Item 31: Department of Corrections
 N04.9805: Kershaw CI – Replace Chillers, Cooling Tower, and Pumps
- Request: Establish Phase II Full Construction Budget to replace chillers, cooling tower, and pumps at the correctional institution.
- Included in CPIP: Yes – 2025 CPIP Priority 2 of 5 in FY26 (estimated at \$3,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY25 Capital Reserve (28)(b), (Security and Maintenance Funds)				3,540,626	3,540,626
All Sources				<u>3,540,626</u>	<u>3,540,626</u>

Summary of Work: The project will replace two existing 445-ton chillers, chilled water pumps, associated piping and cooling towers.

Rationale: These chillers are in poor condition and past their anticipated useful life. Repair costs exceed what is reasonable to spend on old equipment.

Facility Characteristics: Kirkland Correctional Institution is 392,067 square feet and was constructed in 1994 (32 years old). This equipment was installed in 1994 (32 years old). This equipment is used for cooling institutional dorms, administrative buildings, and medical. The correctional institution has 60 staff and houses 1,200 inmates.

Financial Impact: The project will be funded from FY25 Capital Reserve Funds (uncommitted balance \$4.5 million at December 17, 2025). The project is expected to result in a decrease in additional operating costs, but those amounts have not yet been determined.

Full Project Estimate: \$3,540,626 funded from Capital Reserve Funds. This project is being requested for establishment at Phase II, because it is fully funded from legislatively authorized funds. Contract execution is expected in September 2026 and completion of construction in December 2027.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (ee) Project: JBRC Item 32: Department of Corrections
N04.9795: MacDougall CI – Demolish and Rebuild Palmer Building
- Request: Establish Phase II Full Construction Budget to demolish and rebuild the Palmer Building at MacDougall Correctional Institution.
- Included in CPIP: No – The project was mistakenly omitted from the 2025 CPIP.
Phase I Approval: May 2023 (estimated at \$6,000,000) (Admin.)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated, Proviso 118.19 (B)(56)(d), (Critical Deferred Maintenance Projects)	90,000		90,000	5,910,000	6,000,000
Appropriated State, Operating				2,721,758	2,721,758
All Sources	<u>90,000</u>		<u>90,000</u>	<u>8,631,758</u>	<u>8,721,758</u>

Summary of Work: The project will demolish and rebuild the Palmer Building at MacDougall Correctional Institution. The new building will be constructed in front of the existing building to allow the programs to continue without interruption. The exterior and interior walls will be of noncombustible material 9” masonry blocks. All the exterior walls and some interior masonry walls will be load bearing supporting roof construction (light weight concrete on metal decking and bar joists). Because it is a building for inmate education, all walls will be secure to store tools. Construction of this building is exempt from LEED Silver and Two Green Globes certification standards because it is a correctional facility. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The existing building is a block-brick building with bar joist supporting a lightweight concrete roof deck. The lightweight concrete roof deck has deteriorated and is no longer a waterproof roof system. The building has not undergone any major upgrades since it was built, and all of the building systems are outdated and in need of repair or replacement. This building will remain in use until the new building is constructed and in use.

Facility Characteristics: The existing Palmer Building is approximately 20,736 square feet and was constructed in 1969 (57 years old). The proposed new facility will be

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

approximately 22,800 square feet. The Palmer Building is used for education and vocational programs, and it serves the entire inmate population of 704 inmates at the correctional institution.

Financial Impact: This phase of the project will be funded from FY23 Appropriated State (nonrecurring) (uncommitted balance \$5.91 million at December 19, 2025) and Appropriated State, Operating (uncommitted balance \$81.9 million at December 19, 2025) Funds. The project is expected to result in a decrease of \$10,000 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$8,721,758 funded from Appropriated State (nonrecurring) and Appropriated State Operating Funds. Contract execution is expected in June 2026 and completion of construction in December 2028.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(ff) Project: JBRC Item 33: Department of Corrections
 N04.9759: Lee CI – Renovations for K-9 Unit

Request: Increase Phase II Full Construction Budget to cover the cost of having an outside contractor assist with completing the renovations.

Included in CPIP: No – The project was mistakenly omitted from the 2025 CPIP.
 Phase I Approval: April 2019 (estimated at \$225,000) (JBRC Staff)
 Phase II Approval: August 2019 (estimated at \$225,000) (JBRC Staff)
 Phase II Increase Approval: August 2021 (estimated at \$295,000) (JBRC)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Carryforward	3,375	291,625	295,000		295,000
Appropriated State, Operating				120,000	120,000
All Sources	<u>3,375</u>	<u>291,625</u>	<u>295,000</u>	<u>120,000</u>	<u>415,000</u>

Summary of Work: The project will renovate the existing support building located outside the perimeter fence of the Lee Correctional Institution to house the specialized K-9 Unit. The work includes 12 inside shelter areas, 12 exterior run areas, an office, storage, and security perimeter fence.

Rationale: The project was established to house a new specialized K-9 Unit program. Operational staff toured facilities and saw that using protective dogs changed the attitude of the violent inmates to more amicable demonstrations of treatment towards the correctional officers. This project was initially supposed to be fully completed by staff at the correctional institution. However, due to COVID, staffing issues, and funding, this project was delayed and has not been completed. The painting, sealing, floors, installation of doors, cabinets and fencing will be completed by agency staff. The contractor will complete the block and concrete work left to finish the dog kennels.

Facility Characteristics: The support building is approximately 4,500 square feet and was constructed in 2000 (26 years old). Approximately 3,200 square feet of the building will be impacted by the project. The facility will house 12 K-9's and have an average of 18 staff members.

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Financial Impact: The increase will be funded from Appropriated State, Operating (uncommitted balance \$82.45 million at December 15, 2025). The project is expected to result in an increase of \$7,360 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$415,000 funded from Carryforward and Operating Funds. Contract execution is expected in June 2026 and completion of construction in December 2026.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(gg) Project: JBRC Item 34: Department of Corrections
 N04.9780: Security and Maintenance Upgrades – Relocation of Recreation Yards
 and Observation Tower Installation

Request: Revise Scope to remove the construction of 3 observation towers and add the
 replacement of all existing light fixtures in this project established to relocate
 recreation yards and add observation towers at 4 correctional institutions.

Included in CPIP: No – Scope revisions are not required to be included in the CPIP.
 Phase I Approval: December 2021 (estimated at \$10,822,500) (Admin.)
 Phase II Approval: February 2022 (estimated at \$10,822,500) (Admin.)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, FY22 Cares Act, (FY26 Proviso 65.30: Department of Corrections Security and Maintenance Reserve)	10,822,500		10,822,500		10,822,500
All Sources	<u>10,822,500</u>		<u>10,822,500</u>		<u>10,822,500</u>

Summary of Work: The project was established to relocate the recreation yards to the front area of the
 dorms, add additional fencing with electronic gates, reroute sidewalks and
 underground utilities as needed, and add secure elevated guard towers inside the
 yard at Lee, McCormick, Lieber, and Evans correctional institutions. This scope
 revision request will remove the construction of observation towers at McCormick,
 Lieber, and Evans correctional institutions and to add the replacement of all
 existing light fixtures with modern high-performance LED perimeter lights and
 inner mast pole lights. The remaining original project scope has all been
 completed.

Rationale: The observation towers are not being constructed at McCormick, Lieber, and
 Evans correctional institutions due to understaffing. It was also determined that
 upgrading the lighting at the 4 institutions was more critical at this time. Upgrading
 the existing antiquated, non-energy efficient fixtures with modern, high
 performance LED perimeter lights and inner mast pole lights is dual purposed. It
 will increase illumination levels across all institution yards, thereby enhancing
 crucial visibility for surveillance and improvement overall site security for both
 staff and inmates. Additionally, long-term savings on utility costs for the state
 should be realized. Overall, this project will increase safety and security of the staff
 and inmates by increasing the staff’s situational awareness. The recreation yards
 are currently located at the back of the housing units where inmates are blocked
 from most sight lines of staff. The observation towers will allow an elevated
 platform for improved observation and provide a control room for remote

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operation of the gates serving the recreation yards, housing units, and the correctional institutions main yards.

Facility Characteristics: The work in this project will be completed at Lee, McCormick, Lieber, and Evans correctional institutions. The 4 towers to be constructed will be approximately 15-foot by 15-foot including the wrap around steps with an 8-foot by 8-foot conditioned space at the top. The total fencing to be relocated along with additional fencing will be approximately 8,000 linear feet. The four institutions house 2,600 inmates.

Financial Impact: The project will be funded from Federal, FY22 Cares Act Funds (uncommitted balance \$5.25 million at December 22, 2025). The project is expected to result in an increase of \$4,490 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$10,822,500 funded from Cares Act Funds. Completion of construction is expected in December 2028.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(hh) Project: JBRC Item 35: Forestry Commission
P12.9612: Buckfield Project

Request: Establish Final Land Acquisition to purchase +/- 2,821 acres in Beaufort, Jasper, and Hampton Counties.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 4 in FY26 (estimated at \$8,050,000)
Phase I Approval: August 2025 (estimated at \$8,050,000) (SFAA)
Revise Scope Approval: February 2026 (estimated at \$12,558,361) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Timber Sales Revenue	50,000		50,000		50,000
Other, SCOR EPA Climate Pollution Grant				12,508,361	12,508,361
All Sources	<u>50,000</u>		<u>50,000</u>	<u>12,508,361</u>	<u>12,558,361</u>

Rationale: The project was established to acquire +/- 2,880 acres between two potential transactions. Subsequent to establishment of the project it was determined that +/- 59 acres would not be available to acquire. The scope was revised in February 2026 to remove the +/- 59 acres bringing the total down to +/- 2,821 acres and to modify the proposed potential transactions for how the property will be acquired. This is a working forest tract that has been identified as a priority for conserving working forest land. This property and surrounding area are in eminent danger of being lost to develop with proximity to I-95, Hwy 17, and Hwy 21. If acquired the property will become a new state forest that will be protected and managed by the agency for multiple-use and sustain-yield. Multiple use management includes enhancing timber production, fish and wildlife habitat, air and water quality, soil conservation, scenic beauty, scientific research, and recreational opportunities. Sustained yield means assuring that the renewable resources of the forest will always be available without impairing the productivity of the land.

Characteristics: The property consists of 15 parcels located in Hampton, Jasper, and Beaufort counties near the town of Yemassee. This property has two contiguous tracts adjacent to the new Coosawhatchie HP WMA and other private owned protected land that extends down into the ACE Basin.

Financial Impact: Chilton Timber & Land Company is offering +/- 1,079 acres in Jasper and Hampton County to Open Space Institute. Open Space Institute currently owns +/- 1,742 acres in Beaufort County. Open Space Institute is offering the total +/- 2,821 acres to the Forestry Commission for \$12,508,361. The acquisition will be funded

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from Other, SC Office of Resilience EPA Climate Pollution Grant Funds (uncommitted balance \$12.5 million at December 30, 2025). An appraisal completed in December 2025 valued the Beaufort County property at \$14,285,000. An appraisal completed in December 2025 valued the Jasper and Hampton County property at \$9,430,000. Phase I Environmental Site Assessments were completed in September 2025 and found no evidence of recognized environmental conditions in connection with the property. A Building Condition Assessment is not required because there are no buildings located on the property. Letters of support have been received from Jasper County, Jasper County School District, Hampton County, and Hampton County School District authorizing the removal of the property from the tax rolls. Letters of support are not required for Beaufort County because the property is owned by a nonprofit entity. Acquisition of the property is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$12,558,361 funded from Timber Sales Revenue and SC Office of Resilience EPA Climate Pollution Grant Funds.

Other: The Forestry Commission has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (ii) Project: JBRC 36: Department of Natural Resources
P24.6117: Beaufort-Turnure House Renovation
- Request: Establish Phase II Full Construction Budget to repair and renovate the Turnure House located at the Waddell Mariculture Center in Beaufort County.
- Included in CPIP: Yes – 2025 CPIP Priority 6 of 60 in FY26 (estimated at \$500,000)
Phase I Approval: December 2024 (estimated at \$500,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Appropriated State, Proviso 118.19 (B)(84)(g), (Waddell Mariculture Center)	7,500		7,500	492,500	500,000
All Sources	<u>7,500</u>		<u>7,500</u>	<u>492,500</u>	<u>500,000</u>

- Summary of Work: The project will complete interior and exterior renovations which include window replacement, HVAC upgrades, siding repair/replacement, kitchen and bathroom upgrades, painting, flooring, ADA upgrades, electrical plumbing and associated components as needed.
- Rationale: Because of its age and location near the coast, the house needs renovation and repair, not only to preserve the structure and prevent further deterioration, but to also make it energy efficient and ADA accessible.
- Facility Characteristics: The Turnure House is 4,480 square feet and was constructed in 1929 (97 years old). The house serves as a dormitory for visiting scientists, college students, and researchers worldwide. The house and grounds are frequently used for community gatherings and public events and has historical value.
- Financial Impact: The project will be funded from FY24 Appropriated State Funds (nonrecurring) (uncommitted balance is \$492,500 at December 30, 2025). The project is not expected to result in any change in annual operating expenditures.
- Full Project Estimate: \$500,000 funded from Appropriated State (nonrecurring) Funds. Contract execution is expected in May 2026 and completion of construction in December 2026.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (jj) Project: JBRC Item 37: Department of Parks, Recreation, and Tourism
 P28.9872: Redcliffe Plantation Historic Structures
- Request: Establish Phase I Pre-Design to reconstruct the Redcliffe Slave Quarters.
- Included in CPIP: No – The need for the project was unknown during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Park Revenue				13,593	13,593
All Sources				<u>13,593</u>	<u>13,593</u>

Summary of Work: The project will reconstruct a saddlebag clapboard-sided structure at Redcliffe Plantation. The work includes foundation work, timber framing, pine siding, doors and windows, brick piers, pine tongue and groove flooring, and exterior painting. Salvageable materials will be reused, with others repurposed for interpretive exhibits.

Rationale: The structure was destroyed by Hurricane Helene in 2024. Restoring the structure will expand educational programming, provide visitor shelter, and create a flexible gathering space. Restoring it will also restore a rare and essential resource for understanding the site’s history. Redcliffe maintains strong environmental mitigation practices and remains committed to preserving its historic landscape.

Facility Characteristics: The building is 800 square feet and was constructed in 1859 (167 years old). It was originally built to house two of the enslaved families who built and sustained Redcliffe Plantation, the home of prominent South Carolina politician James Henry Hammond. The park has an estimated 5,000 visitors per year.

Financial Impact: This phase of the project will be funded from Other, Park Revenue Funds (uncommitted balance \$8.02 million at December 18, 2025). Park Revenues are derived from operating revenue generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$906,174 (internal). Phase II will be funded from \$755,200 in Historic Preservation Grant, \$103,251 in FEMA and \$35,000 in Insurance Reserve Funds.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (kk) Project: JBRC Item 38: Department of Parks, Recreation, and Tourism
 P28.9873: Property Acquisition – Pipsissewa Passage Expansion
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of +/- 23 acres in Greenville County.
- Included in CPIP: Yes – 2025 CPIP Priority 19 of 63 in FY26 (estimated at \$20,000 for due diligence activities)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Park Revenue				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

Rationale: Acquisition of the property will add more conservation acreage to the total footprint of the Paris Mountain State Park and additional recreational access for visitors as its location is ideal for expanding the park’s existing trail system.

Characteristics: The property includes 4 parcels that are directly adjacent to the northeastern boundary of the park and the current Pipsissewa Passage / Wingard acquisition (P28-9863). The property consists of rolling topography, mature mixed hardwood, and riparian forests.

Financial Impact: The property is offered by Naturaland Trust for not more than appraised value, which is anticipated to be \$500,000. The due diligence activities will be funded from Other, Park Revenue Funds (uncommitted balance \$8.02 million at December 18, 2025). Park Revenues are derived from operating revenue generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. The acquisition is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$520,000 funded from Park Revenue Funds.

Other: The South Carolina Department of Parks, Recreation, and Tourism has coordinated and collaborated with the South Carolina Conservation Bank to confirm the proposed conservation land acquisition of this property is an appropriate conservation purchase and it will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

- (II) Project: JBRC Item 39: Department of Parks, Recreation, and Tourism
 P28.9867: Cheraw State Park Boardwalk
- Request: Establish Phase II Full Construction to renovate the boardwalk.
- Included in CPIP: Yes – 2025 CPIP Priority 33 of 33 in FY26 (estimated at \$1,000,000)
 Phase I Approval: June 2025 (estimated at \$1,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, Land, Water, Conservation Grant				421,630	421,630
Other, Park Revenue	15,000		15,000	406,630	421,630
All Sources	<u>15,000</u>		<u>15,000</u>	<u>828,260</u>	<u>843,260</u>

Summary of Work: The project will renovate the Cheraw State Park Boardwalk over Lake Juniper. The work will include a complete re-decking and repairs to its support structures. The work will also include site preparation for the sidewalk, demolition of the old boardwalk, and concrete work for the boardwalk trail.

Rationale: The existing boardwalk has had minimal repairs and board replacement since its construction and is due for a complete re-decking and repairs to its support structures. According to the agency, continuing to operate the boardwalks and observation decks in their current condition will result in increasing maintenance costs, reduced visitor experience, and potential losses in revenue.

Facility Characteristics: The boardwalk is a half mile trail that was constructed in 1993 (33 years old). The boardwalk trail crosses the dam spillway at Cheraw State Park. It is a popular walking trail for day-use visitors, but also for campground guests that use the boardwalk as a foot path to the rest of the park. The park has an estimated 570,000 visitors annually.

Financial Impact: This phase of the project will be funded from Federal, Land Water Conservation Grant (uncommitted balance \$500k at December 29, 2025) and Other, Park Revenue Funds (uncommitted balance \$7.75 million at December 29, 2025). Park Revenues are derived from operating revenue generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. The project is not expected to result in any change in annual operating expenditures.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

Full Project Estimate: \$843,260 funded from Land Water Conservation Fund Grant and Park Revenue Funds. Contract execution is expected in June 2026 and completion of construction in December 2027.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(mm) Project: JBRC Item 40: Department of Parks, Recreation, and Tourism
P28.9857: Black River Camper Village

Request: Change Project Name, Revise Scope, and Increase Phase II Full Construction Budget to purchase five luxury campers and construct a camper village.

Included in CPIP: No – The need for the increase was unknown during the 2025 CPIP submission process.

Phase II Approval: October 2024 (estimated at \$1,435,637) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated State, Proviso 118.19 (B)(45)(k), (State Park Enhancements)	1,435,637		1,435,637		1,435,637
FY25 Appropriated State, Proviso 118.20 (B)(38)(a), (Agency Property Development)				674,581	674,581
All Sources	<u>1,435,637</u>		<u>1,435,637</u>	<u>674,581</u>	<u>2,110,218</u>

Summary of Work: The agency will purchase 5 luxury campers for future state park rentals along the Black River. Each of the luxury camper units will be equipped with modern amenities to ensure a comfortable stay. The campers will be permanent fixtures for the Black River Complex to include permanent siting with permanent electrical and plumbing connections. The increase will cover the increased cost associated with completing the full build-out of the Camper Village at the High Bluffs, which is a tract within the park.

Rationale: Per the agency, this park amenity will create a new recreational opportunity like no other in the SC State Park Service. The amenity will also give more access to the Black River as part of the Black River Water Trail. The project will also benefit the overall South Carolina State Park system by optimizing the park’s potential to generate operational revenue.

Facility Characteristics: The Black River State Park serves as a destination for local events and recreation as well as tourists from across the world. It is a draw for the local communities as a major ecotourism boost. It provides safe public access while interpreting the area’s rich history. The park plays a vital role in the continued preservation and promotion of South Carolina's sensitive and natural green space. The project is expected to provide new opportunities to an estimated 125,000 state park visitors annually.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

Financial Impact: This increase will be funded from FY25 Appropriated State (nonrecurring) Funds (uncommitted balance is \$964k at December 29, 2025). The project is expected to result in an increase of \$19,500 (year 1), \$21,000 (year 2), and \$23,000 (year 3) in annual operating expenditures.

Full Project Estimate: \$2,110,218 funded from Appropriated State (nonrecurring) Funds. Completion of construction is expected in February 2027.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(nn) Project: JBRC Item 41: Patriots Point Development Authority
 P36.9546: Patriots Point Temporary Retail Village

Request: Establish Phase I Pre-Design Budget to construct a temporary retail village.

Included in CPIP: No – The project was omitted in error from the 2025 CPIP submission.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Admissions Revenue				122,430	122,430
All Sources				<u>122,430</u>	<u>122,430</u>

Summary of Work: The project will construct a temporary retail village at Patriots Point. The temporary retail village will be modular prefabricated units to temporarily house retail, and ticketing operations until a new permanent building can be constructed.

Rationale: The current building needs to be vacated in 16 months for new tenant development. The agency does not have any other buildings that can house these operations. The project will provide for the uninterrupted guest admissions and gift shop sales to support the museum. According to the agency, the temporary village is the best and only way to accomplish these goals with the time and funds available.

Facility Characteristics: The existing building is 7,850 square feet and was constructed in 1988 (38 years old). The temporary retail village will total approximately 8,640 square feet and will house a retail shop, ticketing operations, utilities and I.T., public meeting space, and visitor restrooms. Patriots Point has over 300,000 visitors, staffers, contractors, and vendors utilizing the facility space annually.

Financial Impact: The project will be funded from Other, Admissions Revenue Funds (uncommitted balance \$16.05 million at November 30, 2025). Admissions Revenue Funds are derived from the park and museum admission fees and revenue from leased property. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$2,635,812 (internal) funded from Admissions Revenue Funds. The Phase I amount requested is 4.6% of the estimated cost to complete the project and the additional amount will be used to cover concept design/structural design/CAD modeling, engineering, site survey, utility location, and additional contingency funds.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(oo) Project: JBRC Item 42: Patriots Point Development Authority
 P36.9547: Laffey Dry Dock

Request: Establish Phase I Pre-Design Budget to make repairs to the USS Laffey at the Patriots Point Naval & Maritime Museum.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 3 in FY26 (estimated at \$3,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Admissions Revenue				300,000	300,000
All Sources				<u>300,000</u>	<u>300,000</u>

Summary of Work: The project will make repairs to the USS Laffey at the Patriots Point Naval & Maritime Museum. The work will include the removal from the ship’s berth, dry dock, and perform the following maintenance: 1.) Dredge path from berth to main water access; 2.) Disconnect all utilities from the site; Remove 60 ft removable main pier section using heavy lift crane and barges; 3.) Tugs pull Laffey from berth, transport to shipyard by tow. Drydock, perform hull inspection, repair plating (if required), new bottom paint; 4.) Remove Laffey from drydock. Possible pier space layup while any topside painting required accomplished prior to Patriots Point berth return trip; 5.) Dredge Laffey berth to ensure it is deep enough for the ship to contact the bottom at mean low water; 6.) Repair broken mooring piling the ship ties up to while ship is away; and 7.) Reinstall main pier section removed above.

Rationale: The USS Laffey is overdue for maintenance and repairs. This is mandated by the US Navy Ship Donation program.

Facility Characteristics: The museum ship ex-USS Laffey is a World War II destroyer and designated historical federal landmark. It was built in 1943 (83 years old). It has been berthed at Patriots Point Naval & Maritime Museum since 1981 (45 years ago). It is visited by over 200,000 visitors annually, including school and veteran groups.

Financial Impact: The project will be funded from Other, Admissions Revenue Funds (uncommitted balance \$16.05 million at November 30, 2025). Admissions Revenue Funds are derived from the park and museum admission fees and revenue from leased property. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$3,690,362 (internal) funded from Admissions Revenue Funds. The Phase I amount requested is 8.13% of the estimated cost to complete the project and the additional amount will be used to cover the cost of hiring a Project Manager to

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

oversee the project and to reserve dry docking space for the ship because the ship must be raised to be inspected and for the repair work to be completed.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

(pp) Project: JBRC Item 43: Department of Employment and Workforce
 R60.9547: C. Lem Harper Building – Window Leak Repairs

Request: Establish Phase I Pre-Design Budget to replace the building window system wet exterior and interior sealant.

Included in CPIP: Yes – 2025 CPIP Priority 4 of 4 in FY26 (estimated at \$663,532)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Contingency Assessment				4,500	4,500
All Sources				<u>4,500</u>	<u>4,500</u>

Summary of Work: The project will replace the existing sealants around the perimeter of all window units in the facility. The sealant is a HAZMAT material and must be abated as required.

Rationale: The sealant is cracked and annealed and cannot be further repaired. The windows are leaking throughout the building. Continued long-term water penetration creates an environment conducive for mold as well as high humidity inside the facility.

Facility Characteristics: The C. Lem Harper Building is 47,660 square feet and was constructed in 1992 (34 years old). The window systems are original to the building. The building is utilized by the Department of Employment and Workforce - Lower Authority Appeals, Higher Authority Appeals, Appellate Panel, Benefits Accuracy Measurement Group, Migrant Seasonal Farm Workers Advocacy. Approximately 75 staff utilize the building on a full-time basis and 2,500 staff use the auditorium on an annual basis for training, seminars, and other meetings.

Financial Impact: The project will be funded from Other, Contingency Assessment Funds (uncommitted balance \$74.55 million at December 30, 2025). Revenue to this fund is generated from the contingency assessment portion of the tax accounted for in the special revenue fund, which is primarily to fund the administrative costs and employment services. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$250,800 (internal) funded from Contingency Assessment Funds. The Phase I amount requested is 1.79% of the estimated cost to complete the project and the additional amount will be used for asbestos testing.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Permanent Improvement Projects

AUTHORITY ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Executive Budget Office. All items have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

Agenda item worksheet and attachments

Project List: SFAA Items - March 31, 2026

SFAA Items - March 31, 2026

SFAA Item	JBRC Item2	Agency Code	Agency Name	Project ID	Project Name	Action Proposed	Included in CPIP?	Current Budget	Requested Change	Phase I	Total Phase II Budget	SOF (excludes proposed Phase II if currently seeking Phase I)
(a)	1	H17	Coastal Carolina University	9631	Health and Human Performance Building	Establish Phase II, Change Project Name, and Revise Scope	Yes	1,327,500	73,666,740	1,327,500	74,994,240	Other - Penny Sales Tax
(b)	2	H18	Francis Marion University	9595	Duck Ponds Land Transfer	Final Land Acquisition	No	108,500	20,500,000	108,500	20,608,500	Other - Capital Maintenance Reserve / Other - SCOR Federal Climate Pollution Reduction Grant
(c)	3	H24	South Carolina State University	9671	M. Maceo Nance Hall Renovation	Establish Phase II	Yes	300,000	15,364,458	300,000	15,964,458	FY26 Appropriated State - Proviso 118.22 (B)(16)(b) / Federal - USDA Agriculture Innovation Research Account
(d)	4	H27	University of South Carolina - Columbia	6159	Thomas Cooper Library Renovation	Establish Phase II & Revise Scope	Yes	9,750,000	64,025,000	975,000	65,000,000	Other - Institutional
(e)	5	H27	University of South Carolina - Columbia	6161	Barnwell College Renovation	Establish Phase II	Yes	700,000	37,800,000	700,000	38,500,000	Other - Institutional
(f)	6	H27	University of South Carolina - Columbia	6166	555 Williams Street Land Acquisition	Preliminary Land Acquisition	No	-	20,000	20,000	7,520,000	Other - Institutional
(g)	7	H34	University of South Carolina - Upstate	9561	Track and Field Construction	Establish Phase I	Yes	-	90,000	90,000	6,250,000	Other - Institutional
(h)	8	H36	University of South Carolina - Beaufort	9521	Sandstone Building Renovation	Phase II Increase & Revise Scope	No	9,035,933	2,214,067	27,538	11,250,000	FY22 Appropriated State, Proviso 118.20 (B)(20) / FY22 Capital Reserve (14) / FY23 Capital Reserve (12)
(i)	9	H51	Medical University of South Carolina	9855	College of Medicine Office and Academic Building	Change Source of Funds	No	200,000,000	-	3,440,000	200,000,000	Institution Bonds / FY22 Capital Reserve (22) / FY23 Capital Reserve (18) / FY25 Capital Reserve (20) / FY26 Appropriated State - Proviso 118.22 (B)(26)(a) / Other - Clinical Revenue / Other - Gifts / Other - Deferred Maintenance / Other - Institution Capital Project
(j)	10	H51	Medical University of South Carolina	9872	MUSC Campus Connector Bridges	Change Source of Funds	No	55,168,738	-	950,000	55,168,738	FY22 Capital Reserve (23) / Other - Institutional Capital Reserve / Other - Clinical Revenue / Other - Capital Project Reserve / Other - SCOR FY25 Appropriated State - Proviso 118.20 (B)(56) / Other - SCOR FY26 Appropriated State - Proviso 118.22 (B)(67)(b)
(k)	11	H59	Central Carolina Technical College	6377	AMTTC Expansion	Establish Phase I	Yes	-	100,000	100,000	16,000,000	FY24 Capital Reserve (18)(q)
(l)	12	H59	Florence Darlington Technical College	6328	Construction & Industrial Trades Training Facility	Establish Phase II	Yes	150,000	19,850,000	150,000	20,000,000	FY25 Capital Reserve (21)(c)(i) / FY24 Appropriated State - Proviso 118.19 (B)(20)(e) / FY25 Appropriated State - Proviso 118.20 (B)(c)(ii)
(m)	13	H59	Greenville Technical College	6373	Center for Cybersecurity and AI	Establish Phase I	Yes	-	675,000	675,000	45,000,000	FY24 Capital Reserve (18)(e)
(n)	14	H59	Horry Georgetown Technical College	6378	Construction of Technology, Computing, and Engineering Institute	Establish Phase I	Yes	-	450,000	450,000	30,000,000	Other - College Plant
(o)	15	H59	Midlands Technical College	6379	MTC New Welding Building (Airport)	Establish Phase I	Yes	-	417,648	417,648	16,705,910	FY26 Appropriated State - Proviso 118.22 (B)(27)(k)(i)
(p)	16	H59	Midlands Technical College	6382	MTC AMSC Addition (Airport)	Establish Phase I	Yes	-	478,023	478,023	19,120,900	FY26 Appropriated State - Proviso 118.22 (B)(27)(k)(ii)
(q)	17	H59	Spartanburg Community College	6298	Cherokee Campus Spark Center	Establish Phase II	Yes	300,000	21,088,904	300,000	21,388,904	FY24 Appropriated State - Proviso 118.19 (B)(20)(l) & (m) / Other - Cherokee County / Other Cherokee Economic Development / Other - College Plant
(r)	18	H59	Spartanburg Community College	6329	Cherokee Academic Building Construction	Establish Phase II	Yes	300,000	37,336,891	300,000	37,636,891	FY23 Appropriated State - Proviso 118.19 (B)(27)(z) / FY25 Appropriated State - Proviso 118.20 (B)(21)(j)(i)
(s)	19	H59	Williamsburg Technical College	6380	Renovation of Building for Nursing/Allied Health	Establish Phase I	Yes	-	300,000	300,000	20,000,000	FY17 Capital Reserve (36)
(t)	20	H59	York Technical College	6381	454 S. Anderson Road Property Acquisition	Preliminary Land Acquisition	No	-	50,000	50,000	6,930,000	Other - YTC Foundation
(u)	21	D10	South Carolina Law Enforcement Division	9535	CJIS HVAC Replacement	Establish Phase II	Yes	6,800	465,964	6,800	472,764	Other - Record Search Fees
(v)	22	D50	Department of Administration	6205	Calhoun Building - Office Space Renovations	Establish Phase II	Yes	-	886,000	-	886,000	Other - FY23 Appropriated State - Proviso 118.19 (B)(48)
(w)	23	D50	Department of Administration	6206	Supreme Court Building - Basement Densification	Establish Phase I	No	-	180,000	180,000	9,300,000	Other - Judicial Development / Other - Department of Administration Depreciation Reserve
(x)	24	D50	Department of Administration	6207	Columbia Mills Building - Reimagine the Experience Permanent Gallery Improvement	Establish Phase II	Yes	-	25,000,000	-	25,000,000	FY22 Appropriated State - Proviso 118.18 (B)(7)(a) / FY23 Appropriated State - Proviso 118.19 (B)(30)(a) / FY25 Appropriated State - Proviso 118.20 (B)(24) / FY26 Appropriated State - Proviso 118.22 (B)(30)(a)
(y)	25	D50	Department of Administration	6190	State Library Building - Plaza Deck Repairs	Establish Phase II	Yes	14,750	927,650	14,750	942,400	Appropriated State
(z)	26	D50	Department of Administration	6191	Sumter Street Building - Roof Replacement	Establish Phase II	Yes	10,800	743,200	10,800	754,000	Appropriated State
(aa)	27	D50	Department of Administration	6196	Columbia Mills Building - Generator Replacement	Establish Phase II	Yes	9,000	412,000	9,000	421,000	Appropriated State / Other - Depreciation Reserve
(bb)	29	N04	Department of Corrections	9803	Camille Graham CI-Replace & Repair Administration Roof	Establish Phase I	Yes	-	7,500	7,500	2,500,000	FY26 Appropriated State - Proviso 118.22 (B)(55)(d)

Project List: SFAA Items - March 31, 2026

SFAA Items - March 31, 2026

SFAA Item	JBRC Item2	Agency Code	Agency Name	Project ID	Project Name	Action Proposed	Included in CPIP?	Current Budget	Requested Change	Phase I	Total Phase II Budget	SOF (excludes proposed Phase II if currently seeking Phase I)
(cc)	30	N04	Department of Corrections	9804	Statewide - Add Water Metering Devices to 4 Buildings	Establish Phase I	Yes	-	11,300	11,300	2,500,000	Appropriated State - Operating
(dd)	31	N04	Department of Corrections	9805	Kershaw CI – Replace Chillers, Cooling Tower, and Pumps	Establish Phase II	Yes	-	3,540,626	-	3,540,626	FY25 Capital Reserve (28)(b)
(ee)	32	N04	Department of Corrections	9795	MacDougall CI – Demolish and Rebuild Palmer Building	Establish Phase II	No	90,000	8,631,758	90,000	8,721,758	FY23 Appropriated State - Proviso 118.19 (B)(56)(d) / Appropriated State - Operating
(ff)	33	N04	Department of Corrections	9759	Lee CI - Renovations for K-9 Unit	Phase II Increase	No	295,000	120,000	3,375	415,000	Appropriated State - Carryforward / Appropriated State - Operating
(gg)	34	N04	Department of Corrections	9780	Security and Maintenance Upgrades – Relocation of Recreation Yards and Observation Tower Installation	Phase II Revise Scope	No	10,822,500	-	-	10,822,500	Federal - FY22 Cares Act (FY26 Proviso 65.30)
(hh)	35	P12	Forestry Commission	9612	Buckfield Project	Final Land Acquisition	Yes	50,000	12,508,361	50,000	12,558,361	Other - Timber Sales Revenue / Other - SCOR EPA Climate Pollution Grant
(ii)	36	P24	Department of Natural Resources	6117	Beaufort-Turnure House Renovation	Establish Phase II	Yes	7,500	492,500	7,500	500,000	FY24 Appropriated State - Proviso 118.19 (B)(84)(g)
(jj)	37	P28	Department of Parks, Recreation & Tourism	9872	Redcliffe Plantation Historic Structures	Establish Phase I	No	-	13,593	13,593	906,174	Federal - Historic Preservation Grant
(kk)	38	P28	Department of Parks, Recreation & Tourism	9873	Property Acquisition – Pipsissewa Passage Expansion	Preliminary Land Acquisition	Yes	-	20,000	20,000	520,000	Other - Park Revenue
(ll)	39	P28	Department of Parks, Recreation & Tourism	9867	Cheraw State Park Boardwalk	Establish Phase II	Yes	15,000	828,260	15,000	843,260	Federal - Land Water Conservation Grant / Other - Park Revenue
(mm)	40	P28	Department of Parks, Recreation & Tourism	9857	Black River Camper Village	Increase Phase II, Change Project Name, and Revise Scope	No	1,435,637	674,581	-	2,110,218	FY23 Appropriated State - Proviso 118.19 (B)(45)(k) / FY25 Appropriated State - Proviso 118.20 (B)(38)(a)
(nn)	41	P36	Patriots Point Development Authority	9546	Patriots Point Temporary Retail Village	Establish Phase I	No	-	122,430	122,430	2,635,812	Other - Admissions Revenue
(oo)	42	P36	Patriots Point Development Authority	9547	Laffey Dry Dock	Establish Phase I	Yes	-	300,000	300,000	3,690,362	Other - Admissions Revenue
(pp)	43	R60	Department of Employment and Workforce	9547	C. Lem Harper Building – Window Leak Repairs	Establish Phase I	Yes	-	4,500	4,500	250,800	Other - Contingency Assessment
Sep.	Sep.	H27	University of South Carolina - Columbia	6162	McKissick Building Renovation	Establish Phase II & Change Source of Funds	Yes	700,000	54,300,000	700,000	55,000,000	Institution Bonds

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: 3/31/2026

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:

Ashlie Lancaster
Ashlie Lancaster, FMPS Director

2. Subject: Permanent Improvement Projects

3. Summary Background Information:

- (a) Project: JBRC Item 1: Coastal Carolina University
H17.9631: Health and Human Performance Building
- Request: Change Project Name, Revise Scope, and Establish Phase II Full Construction to construct a new building.
- Included in CPIP: Yes – 2025 CPIP Priority 9 of 9 in FY26 (estimated at \$60,100,000)
- Phase I Approval: April 2025 (estimated at \$53,100,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Penny Sales Tax	1,327,500		1,327,500	73,666,740	74,994,240
All Sources	<u>1,327,500</u>		<u>1,327,500</u>	<u>73,666,740</u>	<u>74,994,240</u>

Summary of Work: The project will construct a new building that will provide classrooms, laboratories, and administrative support/office space, as well as medical clinic for students, faculty, and staff to access healthcare needs. The original scope of work included an attached parking garage, however, during Phase I it was identified that additional building space is needed, and a surface parking lot will be more cost-effective. The new roof system has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The building to be constructed has expanded from approximately 64,000 square feet to 85,000 square feet to accommodate programming needs. The College of Health and Human Performance was established in 2022 and has a couple of the largest majors at the university. The University began enrolling students in its new Bachelor of Science in Nursing program in Fall 2024. The new building will make it possible for the program to have approximately 10,000 square feet of nursing simulation lab space which will increase the number of students who can be accepted into the program, as the lab space will assist in meeting the state requirements for applied practical experience. The University will be able to provide more of the required clinical hours on campus, thereby reducing the regional strain of clinical placements in the area.

Facility Characteristics: The new building to be constructed will be approximately 85,000 square feet. It will house public health, nursing, health administration, exercise science, recreation and sport management, and sport management (master's degree). The current Health and Human Performance program enrollment includes approximately 1,900 student majors with more than 97 faculty members spread across 4 different buildings on campus.

Financial Impact: The project will be funded from Other, Penny Sales Tax Funds (uncommitted balance \$78.15 million at November 30, 2025). The Penny Sales Tax was approved in November 2008 and started March 1, 2009, and was effective until 2024 (15 years). The legislation guaranteed that the university will receive 13.3% of the sales tax collections. The Penny Sales tax was renewed on November 8, 2022, and will be effective for an additional 15 years (until 2039). The project is expected to result in an increase of \$535,757 (years 1 thru 3), in annual operating expenditures. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,983,886 over 30 years. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$210 per student per semester (instate), and \$475 per student per semester (out of state) and has decreased from \$505 between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$74,994,240 funded from Penny Sales Tax Funds. Contract execution is expected in September 2026 and completion of construction in August 2028.

- (b) Project: JBRC Item 2: Francis Marion University
H18.9595: Duck Ponds Land Transfer
- Request: Establish Final Land Acquisition to acquire +/- 8,460 acres in Florence and Darlington counties.
- Included in CPIP: No – The property was not available for purchase until after the 2025 CPIP submission process.
- Phase I Approval: February 2026 (estimated at \$22,663,500) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Maintenance Reserve	108,500		108,500		108,500
Other, SCOR Federal Climate Pollution Reduction Grant				20,500,000	20,500,000
All Sources	<u>108,500</u>		<u>108,500</u>	<u>20,500,000</u>	<u>20,608,500</u>

Rationale: If acquired, the property will serve as a field training environment for the university's Forestry and Environmental Sciences programs. It will enhance the Forestry, Environmental Science, and Freshwater Ecology programs.

Characteristics: The "Duck Ponds" property includes four separate parcels. One parcel, totaling 246 acres, is located in Darlington County. Three other parcels, totaling 8,214 acres, are located in Florence County. There are no buildings located on the property. The property is located near the university's main campus and Freshwater Ecology Center (FEC). It spans 8 miles along the Great Pee Dee River and provides a vast outdoor classroom and laboratory for hands-on learning in forest management, ecological monitoring, and interdisciplinary research. Proximity reduces travel costs and supports frequent fieldwork, while integration with the FEC advances river ecosystem studies. Per the university, by blending education, research, and public recreation, the university aims to create a model of academic innovation and sustainable management for the Pee Dee Region.

Financial Impact: The property is offered by Open Space Institute Land Trust for \$20,500,000. The acquisition will be funded from Other, SC Office of Resilience Federal Climate Pollution Reduction Grant Funds (uncommitted balance \$20.5 million at December 18, 2025). An appraisal was completed in July 2025 and valued the property at \$22,560,000. A Phase I Environmental Site Assessment was completed in September 2025 and found no evidence of recognized environmental conditions in connection with the property. A Building Condition Assessment is not required as there are no buildings located on the property. Letters of support have been received from Florence County, Florence School District 1, Darlington County, and Darlington County School District. The land acquisition is expected to result in an increase of \$120,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$100 per student per semester, and a Facility Fee of \$100 per semester, neither of which have not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$20,608,500 funded from Capital Maintenance Reserve and Climate Pollution Reduction Grant Funds.

Other: Francis Marion University has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase.

(c) Project: JBRC Item 3: South Carolina State University
H24.9671: M. Maceo Nance Hall Renovation

Request: Establish Phase II Full Construction Budget to renovate the building.

Included in CPIP: Yes – 2025 CPIP Priority 7 of 7 in FY26 (estimated at \$15,000,000)
Phase I Approval: June 2025 (estimated at \$15,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(16)(b), (Renovation of Dr. Maceo O. Nance Hall – Establishment of the New College of Agriculture, Family and Consumer Science)				15,000,000	15,000,000
Federal, USDA Agriculture Innovation Research Account				964,458	964,458
Other, Student Housing Improvement	300,000		300,000	(300,000)	
All Sources	<u>300,000</u>		<u>300,000</u>	<u>15,664,458</u>	<u>15,964,458</u>

Summary of Work: The project will renovate the exterior of the building to include 1) re-pointing, repairing, and sealing of exterior brickwork, stone or concrete; 2) repairing the existing asphalt paving, re-striping for handicapped parking, and re-grassing areas disturbed during construction; 3) construction of additional sidewalks; 4) full window restoration to include restoration of interior window trim; and 5) roof replacement. The interior finishes will be renovated to include 1) main interior corridors and stairwells on all floors; 2) new ceiling grid and tiles will be installed; 3) office finishes will be refreshed; 4) interior doors will be refinished; 5) new paint and flooring; 6) the bottom floor will be built out with new lab space, totaling 11,750 square feet; 7) interior lighting will be replaced with LED lighting fixtures to include emergency lighting. 8) new fire alarm system and sprinkler system will be installed; 9) HVAC will be replaced; 10) electrical will be updated; 11) elevator will be modernized; and 12) new plumbing fixtures will be installed, and bathrooms will be updated to meet ADA standards. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The College of Agriculture, Family and Consumer Sciences was re-established in July 2021 and is the University’s fastest growing College thus requiring dedicated space. Additionally, the University will begin an Animal Science and Pre-Veterinarian Program which is designed to serve as a feeder into the recently approved Veterinarian Program at Clemson University. The academic programs currently housed in the building will be relocated to new academic buildings being constructed on campus, thus freeing up space to house the College of Agriculture, Family and Consumer Sciences.

Facility Characteristics: The M. Maceo Nance Hall Building is 47,200 square feet and was constructed in 1974 (52 years old). The entire building will be renovated in this project. The building will house the College of Agriculture, Family and Consumer Services. An estimated 350 students, faculty, and staff are anticipated to utilize the renovated building.

Financial Impact: This phase of the project will be funded from FY26 Appropriated State (nonrecurring) (uncommitted balance \$15 million at February 20, 2026) and Federal, USDA Agriculture Innovation Research Account Funds (uncommitted balance \$5.81 million at January 29, 2026) The USDA Agriculture Innovation Research Account funds are received to support continuing agricultural research. The project is expected to result in a decrease of \$140,424 (year 1), \$402,379 (year 2), and \$686,328 (year 3), in annual operating expenditures. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,512,516 over 30 years. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$752 per student per semester, and has decreased from \$1,123 between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$15,964,458 funded from Appropriated State (nonrecurring) and USDA Agriculture Innovation Research Account Funds. Contract execution is expected in June 2026 and completion of construction in July 2027.

(d) Project: JBRC Item 4: University of South Carolina - Columbia
H27.6159: Thomas Cooper Library Renovation

Request: Change Source of Funds, Revise Scope, and Establish Phase II Full Construction Budget to renovate the library.

Included in CPIP: Yes – 2025 CPIP Priority 3 of 15 in FY26 (estimated at \$50,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional Capital Project	975,000		975,000	(975,000)	
Other, Institutional				65,000,000	65,000,000
All Sources	<u>975,000</u>		<u>975,000</u>	<u>64,025,000</u>	<u>65,000,000</u>

Summary of Work: The project was established to renovate the west half of subterranean levels 1-4 and most of the main level, with enabling mechanical work on the roof, mezzanine and the 5th level. The work includes replacement of the entire mechanical system, installation of a fire sprinkler system, and upgrades to electrical and fire alarm infrastructure. Complete removal and replacement of the ceiling systems are also included. Other work will re-purpose and renovate areas to serve contemporary student needs that prioritize space for individual and group study of digital media over printed media. Stack spaces will be cleared to create larger student spaces on the main level and level 4 by relocating books to be mostly concentrated on the lower levels (1-3) of the library. Accessibility will be improved in renovated restrooms to comply with ADA guidelines. Asbestos abatement will occur as ceiling and floor finishes are replaced. Site utilities serving the building will also be replaced and upgraded as dictated by the mechanical electrical and plumbing infrastructure requirements. Appropriate academic support departments will continue to populate the library and some reconfiguration is expected. The revised scope will now complete the work in stages. This stage will allow for completion of the full design of the project in its entirety and approximately 65% of the scope of the project. The work will primarily include portions of levels 1-4 and the main level; however, work will also occur on the mezzanine level and level 5 in this first stage. Future stages of work on other portions of levels 1-5, main and mezzanine levels will be added as funding becomes available.

Rationale: The Thomas Cooper Library is an iconic building in the core of campus and must be renewed to continue serving its vital mission. The replacement and upgrades of mechanical HVAC equipment and ducts are essential to maintaining proper environmental conditions to support high occupant density and printed library collections. The high level of occupancy also mandates upgrades to life safety systems. The project will be sequenced over many logical stages between 2027 and 2032 to allow the building to continue to serve students and faculty throughout the renovation multi-year project.

Facility Characteristics: The Thomas Cooper Library is 283,595 square feet and was constructed in 1959 (67 years old). This stage of the project will renovate approximately 129,920 square feet. Approximately 37,000 students, faculty, staff, and local community use the library.

Financial Impact: This phase of the project will be funded from Institutional Funds (uncommitted balance \$175.67 million at February 11, 2026). Institutional Funds are the result of excess revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that

permanent improvement expenditures do not impact annual recurring operations. The project is expected to result in a decrease of \$50,000 (year 1), and \$100,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$40 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$65,000,000 funded from Institutional Funds for this stage of the project. The total estimated cost of the project in its entirety is \$107,000,000 which will be funded from Institutional Capital Project Funds. Contract execution of this stage of the project is expected in June 2026 and completion of construction in December 2028. It is the strategic intent of USC to increase the budget of this project in 2027 as recurring and incremental funding can be added to complete the scope of work on levels 1-4, level 5, and the mezzanine between 2028 and 2032.

(e) Project: JBRC Item 5: University of South Carolina – Columbia
H27.6161: Barnwell College Renovation

Request: Establish Phase II Full Construction Budget to comprehensively renovate the interior of the building.

Included in CPIP: Yes – 2025 CPIP Priority 6 of 15 in FY26 (estimated at \$43,630,000)
Phase I Approval: February 2025 (estimated at \$43,630,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional	700,000		700,000	37,800,000	38,500,000
All Sources	<u>700,000</u>		<u>700,000</u>	<u>37,800,000</u>	<u>38,500,000</u>

Summary of Work: The project will complete a transformational renovation of the interior of the building. New floor layouts will require gutting the existing interior leaving only the exterior walls and structural system intact. New layouts will create extensive learning and faculty environments. All building systems that are at the end of their service life will be comprehensively renovated. For life-safety and accessibility infrastructure, a sprinkler system, new ADA compliant restrooms, and a new fire alarm system will be installed. A new elevator will be installed as the budget will permit. Asbestos and lead paint will be abated. Minimal work is expected to occur at the exterior as the facades and the roof were renovated several years ago; however, an Ionic column capital requires restoration, and windows will be restored at the rotunda requiring localized patching and repainting of the stucco. The adaptive renovation will allow the University to make interior configurations, which will add additional classrooms and update meeting rooms, faculty labs, offices and support spaces. Site utility replacement will be included to connect Barnwell College to the Gibbes Green district utility infrastructure.

Rationale: Barnwell College is the last remaining Gibbes Green building that has not been renovated since the 1980s. Per the university, the building has an interior layout that does not support a modern academic program. Building systems are at, or nearing, life expectancy, and the building does not comply with current life safety and accessibility codes.

Facility Characteristics: Barnwell College is 58,623 square feet and was constructed in 1910 (116 years old). The building houses the Department of Psychology, Women’s and Gender Studies, research space, computer labs, study lounge seating, meeting space, and office spaces. Barnwell College is estimated to have over 1,300 students, faculty, staff and visitors annually.

Financial Impact: The project will be funded from Other, Institutional Funds (uncommitted balance \$175.67 million at February 11, 2026). Institutional Funds are the result of excess revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that permanent improvement expenditures do not impact annual recurring operations. The renovation will be completed to meet Two Green Globes certification standards with anticipated energy savings of \$602,641 over 30 years. The project is expected to result in a decrease of \$25,000 (year 1) and \$50,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Although not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$40 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$38,500,000 funded from Institutional Funds. Contract execution is expected in December June 2026 and completion of construction in August 2028.

- (f) Project: JBRC Item 6: University of South Carolina - Columbia
H27.6166: 555 Williams Street Land Acquisition
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of +/- 14.88 acres in Richland County.
- Included in CPIP: No – The university was not aware that the Williams at Blossom LLC which is wholly owned by the USC Development Foundation wanted to sell the land to the university during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

Rationale: Acquisition of this property would ensure adequate parking is maintained to support the Founders Park baseball stadium and commuter parking on non-game days.

Characteristics: The property is contiguous to the baseball stadium and currently used by the university for commuter and game day parking. There are no structures located on the property.

Financial Impact: The property is offered by Williams at Blossom LLC which is wholly owned by the USC Development Foundation for not more than appraised value, which is anticipated to be \$7,500,000. The due diligence activities will be funded from Other, Institutional Funds (uncommitted balance \$175.67 million at February 11, 2026). Institutional Funds are the result of excess revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that permanent improvement expenditures do not impact annual recurring operations. If acquired, no construction or renovations will be completed on the property because it is already in suitable shape for use. The acquisition is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$40 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$7,520,000 (internal) funded from Institutional Funds.

(g) Project: JBRC Item 7: University of South Carolina - Upstate
H34.9561: Track and Field Construction

Request: Establish Phase I Pre-Design Budget to make track and field improvements.

Included in CPIP: Yes – 2025 CPIP Priority 3 of 5 in FY26 (estimated at \$6,250,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional				90,000	90,000
All Sources				<u>90,000</u>	<u>90,000</u>

Summary of Work: The project will provide site improvements to include grading and storm-water management to create a competition 9-lane dedicated track facility with an oval-shaped synthetic surface at the northwest quadrant of the campus. Other field improvements will support Olympic sports including various throwing events, jumping events, and pole vaulting. A timing system, fencing, and minor adjustments to sidewalks and paving will be provided.

Rationale: The project is in accordance with the USC Upstate Master Plan and is a priority for the campus to improve their facilities to support track and field events by maximizing underutilized recreation space. The University is currently utilizing two local high school facilities in the Spartanburg area. The new facility would allow for sports teams to meet on campus and offer collegiate level competition and training facilities for the student athletes.

Facility Characteristics: USC Upstate has varsity men’s and women’s track and field teams. There are nearly 100 student athletes combined between these two teams. In addition, with campus recreation using the space with the student body and patrons attending meets, the University has estimated another 100 individuals will utilize the space.

Financial Impact: The project will be funded from Institutional Funds (uncommitted balance \$36.59 million at February 15, 2025). Institutional Funds are the result of excess revenue over expenditures and may be the result of intended cost savings, salary lag, and reduction in operating cost. These funds come primarily from regular operating funds and may be utilized for capital projects to the extent that permanent improvement expenditures do not impact annual recurring operations. If acquired, no construction or renovations will be completed on the property because it is already in suitable shape for use. The project is expected to result in an increase of \$24,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$85 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$6,250,000 funded from Institutional Funds.

(h) Project: JBRC Item 8: University of South Carolina - Beaufort
H36.9521: Sandstone Building Renovation

Request: Revise Scope and Increase Phase II Full Construction Budget to renovate the Sandstone Building.

Included in CPIP: No – The need for the increase was unknown during the 2025 CPIP submission process.

Phase I Approval: May 2023 (estimated at \$1,835,933) (Admin.)

Revise Scope, Change Project Name, and

Phase II Approval: September 2023 (estimated at \$9,035,933) (Admin.)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Appropriated State, Proviso 118.18 (B)(20), (Maintenance, Renovation, and Replacement)	27,538	1,808,395	1,835,933		1,835,933
FY22 Appropriated State, Proviso 118.18 (B)(20), (Maintenance, Renovation, and Replacement)				214,067	214,067
FY23 Capital Reserve (12), (Maintenance, Renovation, and Replacement)		7,200,000	7,200,000		7,200,000
FY22 Capital Reserve (14), (Maintenance, Renovation, and Replacement) (transfer from H36-9520)				1,200,000	1,200,000
FY23 Capital Reserve (12), (Maintenance, Renovation, and Replacement) (transfer from H36-9520)				800,000	800,000
All Sources	<u>27,538</u>	<u>9,008,395</u>	<u>9,035,933</u>	<u>2,214,067</u>	<u>11,250,000</u>

Summary of Work: The project was established to replace the roof and complete minor interior renovations. After establishment, the scope was revised to complete a refurbishment of the Sandstone Building which added interior renovations that included restrooms, HVAC systems, flooring, finishes and ceilings, exterior and interior doors and windows, café space renovation, drinking fountain replacement, LED lighting upgrades, mechanical, electrical and plumbing system replacement, I.T. Infrastructure, and furniture. This scope revision request will reconfigure the south wing of the building from office and conference room space to create an Instructional Chemistry Lab and Instructional Biology Lab. Structural enhancements at the connection between the roof structure and the exterior bearing walls will also be completed. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The renovations and replacements in this project will address prioritized maintenance and academic/instructional lab needs for this academic building on the Beaufort campus.

Facility Characteristics: The Sandstone Building is 22,341 square feet and was constructed in 1965 (61 years old). The building systems being replaced are original to construction of the

building. It houses academic programs (classrooms, labs, offices), student support services and administrative services. An estimated 500 students, faculty and staff utilize the facility each semester.

Financial Impact: The increase will be funded from FY22 Appropriated State (nonrecurring) (uncommitted balance \$214k at December 22, 2025), FY22 Capital Reserve (uncommitted balance \$1.2 million at December 22, 2025), and FY23 Capital Reserve Funds (uncommitted balance \$800k at December 22, 2025). The project is expected to result in a decrease of \$50,000 (year 1) and \$100,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$47 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$11,250,000 funded from Appropriated State (non-recurring) and Capital Reserve Funds. Contract execution is expected in August 2026 and completion of construction in June 2028.

- (i) Project: JBRC Item 9: Medical University of South Carolina
H51.9855: College of Medicine Office and Academic Building
- Request: Change Source of Funds in this project to construct a seven story, approximately 187,000 square foot building at the corner of President and Bee streets.
- Included in CPIP: No – Change Source of Funds requests are not required to be included in the CPIP.
- Phase I Approval: April 2022 (estimated at \$172,000,000) (SFAA)
- Phase II Approval: June 2023 (estimated at \$200,000,000) (SFAA)
- Change Source of Funds: June 2025 (estimated at \$200,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Institution Bonds		85,000,000	85,000,000	(20,000,000)	65,000,000
FY22 Capital Reserve (22), (Maintenance, Renovation, & Replacement)		6,250,000	6,250,000		6,250,000
FY23 Capital Reserve (18), (Maintenance, Renovation, & Replacement)		25,000,000	25,000,000		25,000,000
FY25 Capital Reserve (20), (College of Medicine Academic Building)		22,000,000	22,000,000		22,000,000
FY26 Appropriated State, Proviso 118.22 (B)(26)(a), (College of Medicine Academic Building)				25,000,000	25,000,000
Other, Clinical Revenue	3,440,000	14,013,889	17,453,889	(12,692,566)	4,761,323
Other, Gifts		20,000,000	20,000,000		20,000,000
Other, Deferred Maintenance		9,000,000	9,000,000		9,000,000
Other, Institution Capital Project		15,296,111	15,296,111	7,692,566	22,988,677
All Sources	<u>3,440,000</u>	<u>196,560,000</u>	<u>200,000,000</u>		<u>200,000,000</u>

Summary of Work: The project will construct a seven-story building with more than 50% being medical teaching space on the first three stories. Floors 4-6 are faculty offices and support spaces for students. Approximately 50% of the 7th floor will contain mechanical/electrical rooms with offices in the other half. The roof system has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty. Additionally, the project will expand the existing Basic Science Building mechanical room (MRE) to 6,000 square feet and install additional chill water capacity to supply the new College of Medicine Building needs. The existing 6,984 square foot Vince Moseley Building will be demolished as part of this project.

Rationale: The new building will allow the College of Medicine to consolidate faculty, staff, and students at one location to improve efficiency, student mentoring, and collaboration within the department.

Facility Characteristics: The new facility (which is not a replacement facility), will be approximately 187,000 square feet and will support the College of Medicine student education activities to include classrooms, study space, relaxation and wellness areas, a large auditorium, and programmatic teaching adjacencies. The College of Medicine Dean's Office including its education team, will be in this space, to allow for enhanced access by medical students. Several College of Medicine departments, comprised of faculty, staff, and trainees, will also be located within the proposed building. In responding to MUSC's master facility plan over the coming years, those academic departments may include the following: Anesthesia, Dermatology, Medicine, Neurology, Neurosurgery, Ob/GYN, Orthopedics, Otolaryngology, Pathology, Pediatrics, Radiology, Radiation Oncology, Surgery, and Urology. It is anticipated that approximately 1,075 faculty and staff plus students will utilize the space on a regular basis, with additional faculty and staff utilizing the building on a more ad hoc basis.

Financial Impact: This change source of funds request will remove some Institution Bonds and some Other, Clinical Revenue Funds, and replace with FY26 Appropriated State (nonrecurring) (uncommitted balance \$25 million at February 20, 2026) and Other, Institution Capital Project Funds (uncommitted balance \$26.91 million at December 31, 2025). Institution Capital Project revenue is excess debt service funds and remaining balances from closed projects. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$599,068 over 30 years. The project is expected to result in an increase of \$1,400,000 (year 1) and \$2,100,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. MUSC does not charge a separate plant improvement fee to the students.

Full Project Estimate: \$200,000,000 funded from Institution Bonds, Capital Reserve, Clinical Revenues, Gifts, Deferred Maintenance, and Institution Capital Project Funds. Completion of construction is expected in November 2027.

(j) Project: JBRC Item 10: Medical University of South Carolina
H51.9872: MUSC Campus Connector Bridges

Request: Change Source of Funds in this project to construct an elevated connector bridge.

Included in CPIP: No – Change Source of Funds requests are not required to be included in the CPIP.

Phase I Approval: November 2022 (estimated at \$34,399,710) (SFAA)

Phase II Approval: August 2025 (estimated at \$55,168,738) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Capital Reserve (23), (Statewide Teaching Partnership) (Redirected. in FY23 Appropriated State, Proviso 23.5)		6,500,000	6,500,000		6,500,000
Other, Institutional Capital Reserve	950,000		950,000		950,000
Other, Clinical Revenue		16,414,369	16,414,369	(9,000,000)	7,414,369
Other, Capital Project Reserve		13,304,369	13,304,369	(9,000,000)	4,304,369
Other, SC Office of Resilience FY25 Appropriated State, Proviso 118.20 (B)(56), (Disaster Relief & Resilience Reserve Fund)		18,000,000	18,000,000		18,000,000
Other, SC Office of Resilience FY26 Appropriated State, Proviso 118.22 (B)(67)(b), (MUSC Charleston Medical District Elevated Walkway)				18,000,000	18,000,000
All Sources	<u>950,000</u>	<u>54,218,738</u>	<u>55,168,738</u>		<u>55,168,738</u>

Summary of Work: The project will construct an elevated connector bridge adjacent to Doughty Street from the 2nd floor of the Ashley River Tower to the 2nd floor of the Bioengineering Building. A connection will be made from this new bridge to the Thurmond Gazes Building. Once completed, all major campus buildings will be connected at the 2nd floor level. The roof to be installed has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty. The project will also relocate the existing underground swisslog tube system to the new connector bridge. This tube system is essential to the hospital lab operations and is compromised by its underground location in a flood prone area.

Rationale: The Charleston Medical District is spread out over 80+ acres and is located within the 100-year floodplain. The entire area is prone to flooding during storm events including hurricanes, tropical storms, heavy rain events, and sometimes even during normal high tide events. Once completed, the elevated walkway project will allow patients, care team members, and supplies to move freely from building to building during storm and flood events. This project will connect the entire MUSC Health campus network and provide safe passage to any emergency rooms or adult Level 1 Trauma centers via the helipad located on top of the Sean Jenkins Children’s Hospital.

Facility Characteristics: The new connector bridge will total approximately 13,550 square feet and will be utilized by approximately 3,000 to 5,000 students, plus patients, faculty, and staff daily, with additional faculty and staff utilizing the bridge on a more ad hoc basis.

Financial Impact: This change source of funds request will remove some Other, Clinical Revenue and some Other, Capital Project Reserve, and will add Other, SC Office of Resilience FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$18 million at February 20, 2026). The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$59,210 over 30 years. The project is expected to result in an increase of \$250,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. MUSC does not charge a separate plant improvement fee to the students.

Full Project Estimate: \$55,168,738 funded from Capital Reserve, Institution Capital Project, Clinical Revenue, Capital Project Reserve and SC Office of Resilience Appropriated State (nonrecurring) Funds. Completion of construction is expected in June 2028.

(k) Project: JBRC Item 11: Central Carolina Technical College
H59.6377: AMTTC Expansion

Request: Establish Phase I Pre-Design Budget to renovate and expand the Advanced Manufacturing Technology & Training Center.

Included in CPIP: Yes – 2025 CPIP Priority 6 of 8 in FY27 (estimated at \$16,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Capital Reserve (18)(q), (Maintenance, Renovation and Replacement – Sumter County)				100,000	100,000
All Sources				<u>100,000</u>	<u>100,000</u>

Summary of Work: The project will complete electrical and plumbing upgrades, ventilation, gas installation requirements, acoustics, installation of exhaust systems for emergency shop air evacuation and gas furnace training, sprinkler system modification, and installation of roll up doors to allow for equipment transport in and out of the space. All roofing material options will be evaluated during the Phase I process for the expansion. The renovations and new construction will be designed to meet Two Green Globes certification standards.

Rationale: Renovation and expansion of the building is needed to accommodate the consolidation of the HVAC programs into one facility and to allow for the relocation of the Welding and Automotive programs into the building. Additionally, the upgrades will also prepare the facility to house the electrical vehicle (EV) curriculum. The space where the Welding and Automotive programs are located will be utilized to improve the Computer Technology program, office space, and expand a multipurpose room.

Facility Characteristics: The Advanced Manufacturing Technology & Training Center is 90,808 square feet and was constructed in 1983 (43 years old). The building was acquired in 2012 and renovated in 2016 (10 years ago) in project H59-6059. Approximately 25,000 square feet of the building will be impacted by the project, and the building will be expanded by approximately 38,000 square feet. The building currently houses the industrial programs that include Machine Tool, Mechatronics, and Engineering Graphics. The renovated space will add the HVAC, Welding, and Automotive programs. The space will be utilized by an estimated 540 students and 60 employees each semester.

Financial Impact: This phase of the project will be funded from FY24 Capital Reserve Funds (uncommitted balance \$8.69 million to be released December 3, 2025). The project is expected to result in an increase of \$5,000 (year 1), \$6,000 (year 2), and \$7,000 (year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$9.70 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$16,000,000 (internal). Phase II will be funded from \$8,594,430 in FY24 Capital Reserve and \$7,305,570 in FY25 Appropriated State (nonrecurring) Funds. While this project is fully funded from legislatively authorized funds, it is required to follow the Phase I/Phase II submission process per the JBRC roof policy.

(l) Project: JBRC Item 12: Florence Darlington Technical College
H59.6328: Construction & Industrial Trades Training Facility

Request: Establish Phase II Full Construction Budget to construct a training facility.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 4 in FY27 (estimated at \$41,642,192)
Phase I Approval: December 2024 (estimated at \$20,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY25 Capital Reserve (21)(c)(i), (Industrial Trades Training Facility)				2,200,000	2,200,000
FY24 Appropriated State, Proviso 118.19 (B)(20)(e), (Industrial Trades Training Facility)	150,000		150,000	9,850,000	10,000,000
FY25 Appropriated State, Proviso 118.20 (B)(c)(ii), (Industrial Trades Training Facility)				7,800,000	7,800,000
All Sources	<u>150,000</u>		<u>150,000</u>	<u>19,850,000</u>	<u>20,000,000</u>

Summary of Work: The project will construct a specialized training facility at the main campus that will include classrooms, labs, faculty offices, workstations, a breakroom and student lounge. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The college does not currently offer construction or electrical programs at the main campus due to limited capacity. The construction programs are currently offered at the Continuum in Lake City. Construction of a new facility will allow the college to offer construction programs and relocate the electrical program from a temporary location to the main campus. The college desires to expand and grow the electrical program from part time to full time.

Facility Characteristics: The new facility to be constructed will be approximately 33,236 square feet. It will be utilized by Carpentry, Electrical, Plumbing, Roofing, and Building Construction Trade programs. Additionally, it will be utilized for safety training.

Financial Impact: This phase of the project will be funded from FY25 Capital Reserve (uncommitted balance \$2.2 million at December 16, 2025), FY24 Appropriated State (nonrecurring) (uncommitted balance \$9.85 million at December 16, 2025), and FY25 Appropriated State (nonrecurring) Funds (uncommitted balance \$7,800,000 at December 16, 2025). The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,067,985 over 30 years. The project is expected to result in an increase of \$100,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$234 per student per semester and has decreased from \$270 between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$20,000,000 funded from Capital Reserve and Appropriated State (nonrecurring) Funds. This Phase II request is less than the 2025 CPIP submission because the amount included in the CPIP contemplated the construction of an approximately 73,090 square foot L shaped building that would house both Building Construction

Trade programs and Industrial Engineering, Mechatronics, and Machining academic programs. Due to limited funding a separate project will be established at a later date as funding becomes available to construct an addition/expansion to the building being constructed in this project to house the Industrial Engineering, Mechatronics, and Machining academic programs. Contract execution is expected in January 2027 and completion of construction in January 2028.

(m) Project: JBRC Item 13: Greenville Technical College
H59.6373: Center for Cybersecurity and AI

Request: Establish Phase I Pre-Design Budget to construct a new building to house the Center for Cybersecurity and Artificial Intelligence on the Benson Campus.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 2 in FY27 (estimated at \$45,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Capital Reserve (18)(e), (Maintenance, Renovation, and Replacement				675,000	675,000
All Sources				<u>675,000</u>	<u>675,000</u>

Summary of Work: The project will construct a new building adjacent to the Center for Health and Life Sciences. The new building will be constructed where UT 104 currently exists. UT 104 is being demolished in the summer of 2026 in a separate project (H59-6359). The building will include meeting spaces, offices, classrooms, labs, collaborative support spaces, etc. Technology will include display walls, 360 deg video capture, augmented reality setups for immersive AI and Cybersecurity learning. Open collaborative environments that will support new modes of interaction while also offering alternatives to enclosed spaces are being considered. The exterior will complement the adjacent Center for Health and Life Sciences Building. All roofing material options will be evaluated during the Phase I process and will conform to JBRC policy. The new building will be designed to meet Two Green Globes certification standards.

Rationale: The state-of-the-art facility will educate and train students through hands-on, real-world experiences to harness the power of AI and safeguard against cyber threats across the industrial business cycle by filling open related job opportunities across the state.

Facility Characteristics: The new building to be constructed will be approximately 100,000 square feet. It will be utilized by the School of Business and Technology, Arts and Sciences, Library/Advising, Engineering Technology, Cybersecurity and Artificial Intelligence. Approximately 500 students, faculty, and staff will utilize the building.

Financial Impact: This phase of the project will be funded from FY24 Capital Reserve Funds (uncommitted balance \$1.1 million at February 10, 2026). The project is expected to result in an increase of \$150,000 (year 1), \$75,000 (year 2), and \$50,000 (year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$100 per student per semester, and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$45,000,000 (internal). Phase II will be funded from \$21,325,000 in Appropriated State (nonrecurring) and \$23,000,000 in College Plant Funds.

(n) Project: JBRC Item 14: Horry Georgetown Technical College
H59.6378: Construction of Technology, Computing, and Engineering Institute

Request: Establish Phase I Pre-Design Budget to construct a new building on the Conway Campus.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 3 in FY27 (estimated at \$30,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, College Plant				450,000	450,000
All Sources				<u>450,000</u>	<u>450,000</u>

Summary of Work: The project will construct a new 3-story academic building that will include classrooms, labs, faculty offices, and student gathering/study space. It will be fitted with additional HVAC capabilities to accommodate the additional heat generated by advanced computing technologies. All roofing material options will be evaluated during the Phase I process. The building will be designed to meet Two Green Globes certification standards.

Rationale: Due to enrollment growth, there is a shortage of available space to support the high-tech, computing, cyber-security, civil and electrical engineering programs. The college has considered renovating existing spaces but no longer has the physical structures to renovate or otherwise support student demand. The programs are currently housed in Building 300 and Building 1000 on the Conway Campus. Once the programs are relocated, the vacant spaces will be used for general educational courses and will also support the Construction Project Management and Business programs.

Facility Characteristics: The building to be constructed will be approximately 30,000 square feet. The new building will house the Computer Technology, Cyber-Security, Artificial Intelligence, Civil Engineering, Electrical Engineering, and general education programs. The building will support 390+ students and 10-12 faculty.

Financial Impact: This phase of the project will be funded from Other, College Plant Funds (uncommitted balance \$108.41 million at November 21, 2025). College Plant Funds are an excess of revenues over expenses, accumulated over time for the purpose of funding building and infrastructure improvements. The project is expected to result in an increase of \$40,000 (year 1) and \$80,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.

Full Project Estimate: \$30,000,000 (internal). Phase II will be funded from \$19,550,000 in College Plant and \$10,000,000 in Appropriated State (nonrecurring) Funds requested in the FY26-27 budget request process. If the additional funds are not appropriated the project will be fully funded from College Plant Funds.

(o) Project: JBRC Item 15: Midlands Technical College
H59.6379: New Welding Building (Airport)

Request: Establish Phase I Pre-Design Budget to construct a new facility adjacent to the current Welding Building.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 6 in FY27 (estimated at \$10,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(27)(k)(i), (Advanced Trades Center)				417,648	417,648
All Sources				<u>417,648</u>	<u>417,648</u>

Summary of Work: The project will construct a new facility adjacent to the current Welding Building and will include flex space that other programs could use or additional instruction space for the Welding Program. The new facility will house 70 student welding booths, four classrooms, four offices, a shop area and tool storage. All roofing material options will be evaluated during the Phase I process. The building will be designed to meet either LEED Silver or Two Green Globes certification standards.

Rationale: The Welding Program has outgrown the existing building. Per the college, for the fall semester, the program received 95 new applications but was only able to accept 30 students, resulting in 65 applicants being denied admission due to space limitations. Currently, the Welding Program operated 12 sections with 15 students per section. Constructing a new building will allow the program to expand and better meet student demand by doubling the capacity and supporting both credit and continuing education welding programs.

Facility Characteristics: The new building will be approximately 24,000 square feet. Approximately 4,000 square feet of the new building will be used as flex space. The new building will be utilized by the Welding Program, as well as other programs who may utilize the flex space in the building. It is anticipated that approximately 335 welding students and 5 faculty will utilize the building.

Financial Impact: This phase of the project will be funded from FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$13.9 million at February 20, 2026). The project is expected to result in an increase of \$180,000 (year 1), \$540,000 (year 2), and \$594,000 (year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$75 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$16,705,910 (internal). Phase II will be funded from \$13,488,417 in Appropriated State (nonrecurring) and \$2,799,845 in Local Funds. The Phase I amount requested is 2.5% of the estimated cost to complete the project and the additional amount will be used to cover the Construction Manager at Risk procurement method.

(p) Project: JBRC Item 16: Midlands Technical College
H59.6382: AMSC Addition (Airport)

Request: Establish Phase I Pre-Design Budget to expand the existing Advanced Manufacturing and Skilled Crafts Center (AMSC) Building.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 6 in FY27 (estimated at \$12,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(27)(k)(ii), (Maintenance, Renovation, and Replacement)				478,023	478,023
All Sources				<u>478,023</u>	<u>478,023</u>

Summary of Work: The project will construct a three-story expansion to the existing AMSC Building. The addition will include lab/shop, six classrooms and offices for faculty and staff. All roofing material options will be evaluated during the Phase I process. The addition will be designed to meet either LEED Silver or Two Green Globes certification standards.

Rationale: Current space limitations restrict annual enrollment to approximately 96 students in Building Construction, 72 in HVAC/R, and 56 in Applied Electrical, resulting in qualified students being unable to register each year. The AMSC addition will allow HVAC/R to relocate into the new area while enabling the Building Construction and Applied Electrical programs to expand within the existing AMSC Building, increasing overall capacity and reducing the number of students turned away due to facility limitations.

Facility Characteristics: The existing AMSC Building is approximately 35,000 square feet and was constructed in 2003 (23 Years old). The building was originally a warehouse and renovated in 2016. The addition to be constructed will be approximately 36,570 square feet. The addition will be utilized to house the HVAC/R program. It is estimated that approximately 650 students annually will utilize the expanded AMSC facilities across the Building Construction, Applied Electrical, and HVAC/R programs once fully operational. The facility will support approximately 11 full-time faculty members, along with multiple adjunct faculty and instructional staff as enrollment expands. Additionally, the space will be used by industry partners and employers who participate in advisory committees, job fairs, site visits, and workforce collaboration activities, further strengthening employer engagement and student placement outcomes.

Financial Impact: This phase of the project will be funded from FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$12.5 million at February 20, 2026). The project is expected to result in an increase of \$127,500 (year 1), \$510,000 (year 2), and \$522,750 (year 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. While not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$75 per student per semester and has not changed between academic years 2021-2022 and 2025-2026.

Full Project Estimate: \$19,120,900 (internal). Phase II will be funded from Appropriated State (nonrecurring) Funds. Phase I amount requested is 2.5% of the estimated cost to complete the project and the additional amount will be used to cover the Construction Manager at Risk procurement method. While this project is fully funded from legislatively authorized funds, it is required to follow the Phase I/Phase II submission process per the JBRC roof policy.

(q) Project: JBRC Item 17: Spartanburg Community College
H59.6298: Cherokee Campus Spark Center

Request: Establish Phase II Full Construction Budget to construct a new economic development building in Gaffney.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 7 in FY26 (estimated at \$20,000,000)

Phase I Approval: January 2024 (estimated at \$20,000,000) (SFAA)

Revise Scope &
Change Source of

Funds Approval: February 2025 (estimated at \$17,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Appropriated State, Proviso 118.19 (B)(20)(m), (Spark Centers)	300,000	(300,000)		4,000,000	4,000,000
FY24 Appropriated State, Proviso 118.19 (B)(20)(l), (Cherokee County Campus – Spark Center)		300,000	300,000	8,758,456	9,058,456
Other, Cherokee County				5,000,000	5,000,000
Other, Cherokee Economic Development				600,000	600,000
Other, College Plant				2,730,445	2,730,445
All Sources	<u>300,000</u>		<u>300,000</u>	<u>21,088,904</u>	<u>21,388,901</u>

Summary of Work: The project was established to construct a new economic development multi-use building consisting of offices and warehouse space. Subsequent to establishment, the scope was revised to scale back the size of the building due to rising construction costs and available funding to complete the project. This facility will have the ability to add additional space in the future. The roof to be installed has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: According to the college, there is considerable economic development activity in Cherokee County and surrounding areas and anticipated growth along the I-85 corridor between Charlotte and Atlanta. I-85 is presently being widened through Cherokee County that will further expand development along the corridor. The building will serve as a “soft landing” location for prospective Cherokee economic development.

Facility Characteristics: The Cherokee Campus is located in Gaffney. There are five (5) buildings located on campus. The new facility will be a 70,538 square foot single-story economic development building. It will be situated between the existing Harvey Peeler Academic Building and Interstate-85, as close to Interstate-85 as site conditions will allow. The warehouse space can be used for prospects’ general warehousing, light production, and worker hands-on-training. The offices will be used by the prospects for business management activities. The space will be used by 120 students and 20 staff daily.

Financial Impact: This phase of the project will be funded from FY24 Appropriated State (nonrecurring) (uncommitted balance \$17.89 million at December 30, 2025), Other, Cherokee County (uncommitted balance \$5 million at December 30, 2025),

Other, Cherokee Economic Development (uncommitted balance \$600k at December 30, 2025), and College Plant Funds (uncommitted balance \$5.93 million at December 30, 2025). College Plant funds are annually funded based on overages from the college operating budget. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,840,623 over 30 years. The project is expected to result in an increase of \$150,000 (year 1) and \$300,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, there is no portion of tuition designated for capital improvements.

Full Project Estimate: \$21,388,901 funded from Appropriated State (non-recurring), Cherokee County, Cherokee Economic Development, College Plant Funds. Contract execution is expected in February 2027 and completion of construction in August 2028.

(r) Project: JBRC Item 18: Spartanburg Community College
H59.6329: Cherokee Academic Building Construction

Request: Establish Phase II Full Construction Budget to construct a new academic building on the Cherokee Campus.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 7 in FY26 (estimated at \$30,000,000)

Phase I Approval: December 2024 (estimated at \$30,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated State, Proviso 118.19 (B)(27)(z), (Spartanburg Community College – Cherokee Campus)	300,000		300,000	19,700,000	20,000,000
FY25 Appropriated State, Proviso 118.20 (B)(21)(j)(i), (Cherokee County Campus)				10,000,000	10,000,000
Other, College Plant				7,636,891	7,636,891
All Sources	<u>300,000</u>		<u>300,000</u>	<u>37,336,891</u>	<u>37,636,891</u>

Summary of Work: The project will construct a new multi-story academic building. The first floor will contain a library that will be shared with Cherokee County Library System, a bookstore, café, Student Services Offices and a testing lab. The second floor will contain 12 classrooms and faculty offices. The third floor will contain 5,500 square feet of meeting space, executive offices and an outdoor roof deck meeting space. The building will be composed of two wings, joined by a three-story glass-enclosed lobby. The northeast entrance will feature amphitheater-style seating, and the southwest entrance will include a new parking lot and a roundabout drop-off/pick-up zone. The roof to be installed has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The new facility will support the growing needs of a qualified and prepared academic population for technical and life-long learning experiences for Cherokee County and the surrounding communities served.

Facility Characteristics: The Cherokee Campus is located in Gaffney. There are five (5) buildings located on campus. The new academic building will be 55,500 square feet. The building will be situated between the existing Harvey Peeler Academic Building and the Gaffney Board of Public Works “Peachoid”. The building will integrate academic programs, student services, and community focused spaces. It will be utilized by approximately 1,000 students, 15-20 faculty, and 15 staff. It is anticipated that the library will receive approximately 15,000 visitors per year.

Financial Impact: This phase of the project will be funded from FY23 Appropriated State (nonrecurring) (uncommitted balance \$19.7 million at December 23, 2025), FY25 Appropriated State (nonrecurring) (uncommitted balance \$10 million at December 23, 2025), and Other, College Plant Funds (uncommitted balance \$13.56 million at December 23, 2025). College Plant funds are annually funded based on overages from the college operating budget. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,959,586 over 30 years. The project is expected to result in an increase of \$174,577 (year 1) and \$349,154 (years 2 thru 3) in annual operating expenditures.

No student fees or tuition will be increased as a consequence of the project. Currently, there is no portion of tuition designated for capital improvements.

Full Project Estimate: \$37,636,891 funded from Appropriated State (nonrecurring) and College Plant Funds. Contract execution is expected in February 2027 and completion of construction in August 2028.

(s) Project: JBRC Item 19: Williamsburg Technical College
H59.6380: Renovation of Building for Nursing/Allied Health

Request: Establish Phase I Pre-Design Budget to renovate the recently acquired old hospital building.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 2 in FY26 (estimated at \$16,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY17 Capital Reserve (36), (Science and Technology Building)				300,000	300,000
All Sources				<u>300,000</u>	<u>300,000</u>

Summary of Work: The project will renovate the two-story building to create specialized labs for nursing, biology, and chemistry. General classrooms and some administrative and support offices will also be created. The building will be completely reduced to exterior framework and load bearing pillars and a comprehensive renovation of the facility’s major systems – including HVAC, electrical, plumbing, life-safety, and IT infrastructure will be completed. All roofing material options will be evaluated during the Phase I process. The renovations will be designed to meet either LEED Silver or Two Green Globes certification standards.

Rationale: This building was acquired to house the Allied Health Sciences programs. This renovation will bring the building up to current operational and safety standards and will allow the college to expand programs of study, classes and student enrollment. Per the college, 125+ qualified nursing students are turned away annually due to limited space.

Facility Characteristics: The old hospital building is 75,000 square feet and was constructed in 1964 (62 years old). The college acquired the building through project H59-6335 in October 2025. There have been several renovations and additions made since the original construction. The renovated building will house the Allied Health Sciences programs and will allow the college to expand programs of study, classes, and student enrollment. Additionally, some administrative and support staff will be relocated to the facility. An estimated increase of 150 students and 20 staff will be added to the current 68 full-time employees and 600 students.

Financial Impact: This phase of the project will be funded from FY17 Capital Reserve Funds (uncommitted balance \$3.48 million at December 19, 2025). The project is expected to result in an increase of \$200,000 (years 1 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.

Full Project Estimate: \$20,000,000 (internal). Phase II will be funded from \$4,694,302 in Capital Reserve and \$15,005,698 in Appropriated State (nonrecurring) Funds.

- (t) Project: JBRC Item 20: York Technical College
H59.6381: 454 S. Anderson Road Property Acquisition
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of +/- 9.29 acres and two buildings in York County.
- Included in CPIP: No – The property was not available for purchase during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, YTC Foundation				50,000	50,000
All Sources				<u>50,000</u>	<u>50,000</u>

Rationale: Phase I project (H59-6356) to construct a new Health Science building and Phase I project (H59-6371) to construct a new Building Construction Trades building were established in 2025. Subsequent to establishment of those projects, the S. Anderson Road property became available for purchase. If acquired, the College could house both the Health Science and the Building Construction Trades programs on this property. In addition to these two programs, the College is in initial discussions with the Department of Commerce about the potential to bring Life Sciences programs to the College. Acquisition of this property would allow the College to create space for this program as well. This property would be beneficial for the expansion of programs that produce graduates that can fill high demand jobs in health care, life science, building construction trades, and industrial engineering technology industries. The proximity of this property to the current campus would align with the campus master plan while providing additional space for future programs that may be developed.

Characteristics: The property is located 300 feet east of the main campus in Rock Hill. The property includes an approximately 69,296 square foot four-story office building and an approximately 54,315 square foot annex one-story light industrial building that were both constructed in 1985 (41 years old). There are approximately 438 parking spaces located on the property.

Financial Impact: The property is offered by Rock Hill Business Technology Center, LLC for not more than appraised value which is anticipated to be \$6,500,000. The due diligence activities will be funded from Other, York Technical College Foundation Funds (uncommitted balance \$1.8 million at December 23, 2025). If the property is acquired, the two Phase I established projects would be rescoped from constructing new facilities to renovating the buildings located on the property for a total estimated cost of \$21,000,000. The acquisition is expected to result in an increase of \$100,000 (year 1) and \$250,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.

Full Project Estimate: \$6,930,000 (internal). The acquisition will be funded from Appropriated State (nonrecurring) Funds. The Preliminary Land Acquisition amount is \$50,000 to cover the required due diligence activities that are anticipated to exceed \$20,000. The estimated cost to acquire the property includes an additional \$380,000 to cover anticipated closing costs and attorney's fees.

(u) Project: JBRC Item 21: South Carolina Law Enforcement Division
D10.9535: CJIS HVAC Replacement

Request: Establish Phase II Full Construction Budget to replace HVAC units.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 6 in FY26 (estimated at \$454,678)
Phase I Approval: August 2025 (estimated at \$454,678) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Record Search Fees	6,800		6,800	465,964	472,764
All Sources	<u>6,800</u>		<u>6,800</u>	<u>465,964</u>	<u>472,764</u>

Summary of Work: The project will replace nine (9) HVAC units in the IT /CJIS Facility with current commercial technology HVAC units suited for the application. The work will include demolition and removal of existing units and new piping.

Rationale: Seven of the existing units are residential style units rather than commercial units that would be properly suited. All units have exceeded their useful life.

Facility Characteristics: The IT /Criminal Justice Information Services facility is 14,490 square feet and was constructed in 1979 (47 years old). Eight of the units are between 20 and 21 years old, with the ninth unit being 11 years old. The new HVAC system will service the entire building. It houses SLED’s Data Center, Information Technology, Records, and CJIS Operations. It is utilized by 125 staff daily.

Financial Impact: The project will be funded from Other, Record Search Fees Funds (uncommitted balance \$10.34 million at January 15, 2026). Record Search Fee Funds are derived from background check fees charged to the public. The project is expected to result in a decrease of \$25,000 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$472,764 funded from Record Search Fees Funds. Contract execution is expected in July 2026 and completion of construction in December 2026.

(v) Project: JBRC Item 22: Department of Administration
D50.6205: Calhoun Building - Office Space Renovations

Request: Establish Phase II Full Construction Budget to complete office space renovations.

Included in CPIP: Yes – 2025 CPIP Priority 3 of 32 in FY26 (estimated at \$1,641,410)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, FY23 Appropriated State, Proviso 118.19 (B)(48), Judicial (Court of Appeals New Courtroom and Office Space) (Redir. in FY26 Proviso 57.21)				886,000	886,000
All Sources				<u>886,000</u>	<u>886,000</u>

Summary of Work: The project will update the existing wall finishes and construct additional office spaces on the third, fourth, and fifth floors of the Calhoun Building. The work will include replacement of the existing wall covering, construction of new office spaces, including associated HVAC and electrical work, and the abatement of hazardous materials, as needed.

Rationale: The wall finishes are in poor condition and are showing wear and tear. Additional office space is required for new FTE Judicial Branch positions.

Facility Characteristics: The Calhoun Building is 96,672 square feet and was constructed in 1926 (100 years old). The third, fourth, and fifth floor of the Calhoun building, which is 38,213 square feet will be impacted by this project. The existing wall finishes were installed in 2011 (15 years old). The facility is utilized by 190 Judicial Branch personnel and various annual visitors.

Financial Impact: The project will be funded from Other, Appropriated State (nonrecurring) Funds (uncommitted balance \$1.64 million at December 5, 2025). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$886,000 (internal) funded from Appropriated State (nonrecurring) Funds. Contract execution is expected in October 2026 and completion of construction in June 2028.

(w) Project: JBRC Item 23: Department of Administration
D50.6206: Supreme Court Building - Basement Densification

Request: Establish Phase I Pre-Design Budget for office densification.

Included in CPIP: No – The need for the project was unknown during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Judicial Development				160,000	160,000
Other, Department of Administration Depreciation Reserve				20,000	20,000
All Sources				<u>180,000</u>	<u>180,000</u>

Summary of Work: The project will densify the office space in the basement of Supreme Court Building for use by the Judicial Branch. The work includes the reconfiguration of existing storage and office space, which will require demolition of existing walls, new ceiling and lighting, HVAC reconfiguration, electrical and plumbing reconfigurations, renovating the existing restrooms, new flooring and wall finishes, and the abatement of hazardous materials, as required.

Rationale: The basement has multiple storage areas that are no longer utilized by the Judicial Branch, and the Judicial Branch requires office space to accommodate additional FTE positions.

Facility Characteristics: The Supreme Court Building is 63,896 square feet and was constructed in 1921 (105 years old). It is a National Register Property and historic landmark building, which will require special attention to detail and preservation methods. The basement is 16,514 square feet and was last renovated over 30 years ago. The Supreme Court Building is utilized by approximately 50 Judicial Branch staff and various annual visitors.

Financial Impact: The project will be funded from Other, Judicial Development (uncommitted balance \$43.78 million at December 30, 2025), and Other, Department of Administration Depreciation Reserve Funds (uncommitted balance \$5.30 million at December 30, 2025). Judicial Development Funds are derived from other revenue sources which the Chief Justice has designated for judicial development. Depreciation Reserve Funds are derived from the rent account, which receives rent charged to agencies. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$9,300,000 (internal) funded from Judicial Development and Depreciation Reserve Funds. The Phase I amount requested is 1.93% of the estimated cost to complete the project and the additional amount will be used to cover hazardous materials testing and a facility wide HVAC study.

(x) Project: JBRC Item 24: Department of Administration
D50.6207: Columbia Mills Building – Reimagine the Experience Permanent Gallery Improvement

Request: Establish Phase II Full Construction Budget to renovate gallery/exhibition spaces and program areas.

Included in CPIP: Yes – 2025 CPIP Priority 27 & 28 of 32 in FY26 (estimated at \$25,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Appropriated State, Proviso 118.18 (B)(7)(a), (Permanent Gallery Renovation Phase II)				3,651,020	3,651,020
FY23 Appropriated State, Proviso 118.19 (B)(30)(a), (Permanent Gallery Renovation – Reimagine the Experience RTE - Phase III)				2,894,117	2,894,117
FY25 Appropriated State, Proviso 118.20 (B)(24), (Reimagine the Experience Permanent Gallery Improvement Project)				4,255,465	4,255,465
FY26 Appropriated State, Proviso 118.22 (B)(30)(a), (Reimagine the Experience Permanent Gallery Improvement Project)				14,199,398	14,199,398
All Sources				<u>25,000,000</u>	<u>25,000,000</u>

Summary of Work: The project will include the following: 1. Construction of a new passenger elevator, 2. New public stairways, 3. Updating existing thoroughfares to ensure ADA access, 4. Renovate existing restrooms, 5. Renovate existing exhibition areas, and 6. Construction of new exhibition areas, public programming areas, collection storage, special events areas and customer support areas. Construction will include demolition, constructing new walls and doorways, refinishing floors, installing new automated exhibit lighting systems, implementation of a new automated system for all guest areas, new electrical and data services, new wall finishes, associated plumbing, HVAC systems reconfigurations, outdoor pavement areas, outdoor shelters, guest improvements, and signage.

Rationale: In December 2025, the SC State Museum received approval to establish a project at Phase II for \$15,000,000 to redesign and renovate approximately 40,000 square feet of space on the 1st and 4th floors of the former Department of Public Health space and a portion of current Museum space on the 4th floor in the Columbia Mills building for new programming, exhibition, and special event use, in development of the new “Innovation Wing” concept around the Observatory. Since that time, the Museum determined that the proposed renovations would impact multiple building systems and, as such, they have closed the original project (H95-9508) and requested that the Department of Administration establish and manage the project. No funds were expended under H95-9508. According to the agency, the project will ensure that the facility is fully ADA accessible, and that the exhibitions and educational programs are engaging, informative, and compatible with current standards.

Facility Characteristics: The Columbia Mills building is approximately 285,223 square feet and was constructed in 1893 (133 years old). The entire building was renovated for current uses in 1988 (38 years ago). The entire building will be impacted by this project. The building is utilized by operations, collections & exhibitions, programs, school visits, camps, and special events. Approximately 235,000 employees and visitors utilize the building annually.

Financial Impact: The project will be funded from FY22 Appropriated State (nonrecurring) (uncommitted balance \$3.65 million at December 30, 2025), FY23 Appropriated State (nonrecurring) (uncommitted balance \$2.89 million at December 30, 2025), FY25 Appropriated State (nonrecurring) (uncommitted balance \$4.25 million at December 30, 2025), and FY26 Appropriated State (nonrecurring) Funds (uncommitted balance \$20 million at February 20, 2026). The project is not expected to result in any change in annual operating expenditures, because it is expected that additional operating costs have already been budgeted due to the new lease and resulting rent increase, and previous requests for additional recurring funds to operate the renovated museum. The bulk of additional costs should be additional rent and energy costs, which have been factored into the agency's recurring appropriation.

Full Project Estimate: \$25,000,000 (internal) funded from Appropriated State (nonrecurring) Funds. This project is being requested for establishment at Phase II because it is fully funded from legislatively authorized funds. Contract execution is expected in January 2027 and completion of construction in June 2029.

(y) Project: JBRC Item 25: Department of Administration
D50.6190: State Library Building - Plaza Deck Repairs

Request: Establish Phase II Full Construction Budget to complete repairs to the plaza deck of the building.

Included in CPIP: Yes – 2025 CPIP Priority 22 of 32 of FY26 (estimated at \$650,000)
Phase I Approval: August 2025 (estimated at \$650,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State	14,750		14,750	927,650	942,400
All Sources	<u>14,750</u>		<u>14,750</u>	<u>927,650</u>	<u>942,400</u>

Summary of Work: The project will repair and replace the waterproof membrane below the plaza's brick pavers at the State Library. The work includes the removal of the existing plaza pavers, replacement of the underlying waterproofing membrane and reinstallation of the existing plaza pavers.

Rationale: The existing waterproof membrane is curled, damaged, and has open seams, preventing water from reaching the drains causing water intrusion in the stairwell entrances on all elevations and leaks in the basement and other areas.

Facility Characteristics: The State Library Building is approximately 60,494 square feet and was constructed in 1969 (57 years old). The plaza deck waterproofing is 6,700 square feet and is 15 years old. The building is utilized by approximately 45 SC State Library staff and various visitors daily.

Financial Impact: The project will be funded from Appropriated State Funds (uncommitted balance \$9.41 million at December 12, 2025). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$942,400 funded from Appropriated State Funds. Contract execution is expected in August 2026 and completion of construction in June 2027.

(z) Project: JBRC Item 26: Department of Administration
D50.6191: Sumter Street Building - Roof Replacement

Request: Establish Phase II Full Construction Budget to replace the roof on the building.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 32 of FY26 (estimated at \$720,000)
Phase I Approval: August 2025 (estimated at \$720,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State	10,800		10,800	743,200	754,000
All Sources	<u>10,800</u>		<u>10,800</u>	<u>743,200</u>	<u>754,000</u>

Summary of Work: The project will replace the roof on the building. The replacement roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The existing roof has undergone multiple repairs and the warranty for the repairs expired in 2018. It has exceeded its useful life expectancy and is experiencing multiple leaks. The roof is not eligible for elastomeric coating.

Facility Characteristics: The Sumter Street Building is approximately 37,501 square feet and was constructed in 1923 (103 years old). The existing roof is approximately 17,000 square feet and was partially replaced in 2006 (20 years ago) and came with a 10-year warranty which expired in 2016. The parapet wall system was repaired in 2015 and came with a 3-year warranty, which expired in 2018. The building is used by the SC Human Affairs Commission and the SC Arts Commission. Approximately 66 staff and various visitors daily utilize the building.

Financial Impact: The project will be funded from Appropriated State Funds (uncommitted balance \$9.41 million at December 12, 2025). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$754,000 funded from Appropriated State Funds. Contract execution is expected in September 2026 and completion of construction in June 2027.

(aa)Project: JBRC Item 27: Department of Administration
D50.6196: Columbia Mills Building - Generator Replacement

Request: Establish Phase II Full Construction Budget to replace the generator.

Included in CPIP: Yes – 2025 CPIP Priority 31 of 32 of FY26 (estimated at \$363,000)
Phase I Approval: December 2025 (estimated at \$363,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State				377,068	377,068
Other, Depreciation Reserve	9,000		9,000	34,932	43,932
All Sources	<u>9,000</u>		<u>9,000</u>	<u>412,000</u>	<u>421,000</u>

Summary of Work: The project will replace the emergency generator in the Columbia Mills Building.

Rationale: The generator has exceeded its life expectancy, continues to have operational issues, and maintenance parts are difficult to source.

Facility Characteristics: The Columbia Mills Building is approximately 445,494 square feet and was constructed in 1893 (133 years old). The generator was installed in 1986 (40 years ago) and provides power to life safety systems and the elevators at the facility. The Columbia Mills Building houses the State Museum, SC Confederate Relic Room & Military Museum, and the Department of Administration. It is utilized by approximately 235,000 employees and visitors on a yearly basis.

Financial Impact: This phase of the project will be funded from Appropriated State (uncommitted balance \$9.41 million at December 2025) and Other, Depreciation Reserve Funds (uncommitted balance \$5.30 million at December 2025). Depreciation Reserve Funds are derived from the rent account, which receives rent charged to agencies. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$421,000 funded from Appropriated State and Depreciation Reserve Funds. Contract execution is expected in September 2026 and completion of construction in June 2028.

(bb) Project: JBRC Item 29: Department of Corrections
N04.9803: Camille Graham CI-Replace & Repair Administration Roof

Request: Establish Phase I Pre-Design Budget to replace the roof.

Included in CPIP: Yes – 2025 CPIP Priority 4 of 5 in FY26 (estimated at \$2,500,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY26 Appropriated State, Proviso 118.22 (B)(55)(d), (Deferred Maintenance)				7,500	7,500
All Sources				<u>7,500</u>	<u>7,500</u>

Summary of Work: The project will replace the roof on the Camille Graham Administration Building. All roofing material options will be evaluated during the Phase I process and will conform to JBRC policy.

Rationale: The existing roof has exceeded its useful life span and is in constant need of repairs.

Facility Characteristics: The Camille Graham Administration Building is 288,000 square feet and was constructed in 1974 (52 years old). The existing roof is approximately 24,000 square feet and was installed in 1996 (30 years old). The facility houses Camille Graham Administration, Medical and Visitation center. It is utilized by up to 100 people daily.

Financial Impact: The project will be funded from FY26 Appropriated State (non-recurring) Funds (uncommitted balance \$2.5 million at December 19, 2025). The project is expected to result in a decrease in annual operating expenditures, but that amount has not yet been determined.

Full Project Estimate: \$2,500,000 (internal) funded from Appropriated State (non-recurring) Funds. While this project is fully funded from legislatively authorized funds, it is required to follow the Phase I/Phase II submission process per the JBRC roof policy.

(cc) Project: JBRC Item 30: Department of Corrections
 N04.9804: Statewide – Add Water Metering Devices to 4 Buildings

Request: Establish Phase I Pre-Design Budget to add water metering devices.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 5 in FY26 (estimated at \$2,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating				11,300	11,300
All Sources				<u>11,300</u>	<u>11,300</u>

Summary of Work: The project will add water metering devices to all toilets, sinks, and showers in Turbeville Remini dorm, Turbeville Lockup, Lee Lockup, and Kershaw Lockup.

Rationale: Per the agency, installation of water meters will cut water consumption by two thirds of today’s consumption.

Facility Characteristics: The Turbeville Remini dorm is 29,470 square feet and was constructed in 1989 (37 years old). Turbeville Lockup is 39,304 square feet and was constructed in 1989 (37 years old). Lee Lockup is 54,035 square feet and was constructed in 1993 (33 years old). Kershaw Lockup is 2,248 square feet and was constructed in 1995 (31 years old). The equipment is all original to the facilities. These facilities are utilized by a total of 24 staff and 552 inmates daily.

Financial Impact: The project will be funded from Appropriated State, Operating Funds (uncommitted balance \$81.9 million at December 19, 2025). The project is expected to result in a decrease in additional operating costs, but those amounts have not yet been determined.

Full Project Estimate: \$2,500,000 (internal) funded from Operating Funds.

(dd) Project: JBRC Item 31: Department of Corrections
N04.9805: Kershaw CI – Replace Chillers, Cooling Tower, and Pumps

Request: Establish Phase II Full Construction Budget to replace chillers, cooling tower, and pumps at the correctional institution.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 5 in FY26 (estimated at \$3,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY25 Capital Reserve (28)(b), (Security and Maintenance Funds)				3,540,626	3,540,626
All Sources				<u>3,540,626</u>	<u>3,540,626</u>

Summary of Work: The project will replace two existing 445-ton chillers, chilled water pumps, associated piping and cooling towers.

Rationale: These chillers are in poor condition and past their anticipated useful life. Repair costs exceed what is reasonable to spend on old equipment.

Facility Characteristics: Kirkland Correctional Institution is 392,067 square feet and was constructed in 1994 (32 years old). This equipment was installed in 1994 (32 years old). This equipment is used for cooling institutional dorms, administrative buildings, and medical. The correctional institution has 60 staff and houses 1,200 inmates.

Financial Impact: The project will be funded from FY25 Capital Reserve Funds (uncommitted balance \$4.5 million at December 17, 2025). The project is expected to result in a decrease in additional operating costs, but those amounts have not yet been determined.

Full Project Estimate: \$3,540,626 funded from Capital Reserve Funds. This project is being requested for establishment at Phase II, because it is fully funded from legislatively authorized funds. Contract execution is expected in September 2026 and completion of construction in December 2027.

(ee) Project: JBRC Item 32: Department of Corrections
N04.9795: MacDougall CI – Demolish and Rebuild Palmer Building

Request: Establish Phase II Full Construction Budget to demolish and rebuild the Palmer Building at MacDougall Correctional Institution.

Included in CPIP: No – The project was mistakenly omitted from the 2025 CPIP.
Phase I Approval: May 2023 (estimated at \$6,000,000) (Admin.)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated, Proviso 118.19 (B)(56)(d), (Critical Deferred Maintenance Projects)	90,000		90,000	5,910,000	6,000,000
Appropriated State, Operating				2,721,758	2,721,758
All Sources	<u>90,000</u>		<u>90,000</u>	<u>8,631,758</u>	<u>8,721,758</u>

Summary of Work: The project will demolish and rebuild the Palmer Building at MacDougall Correctional Institution. The new building will be constructed in front of the existing building to allow the programs to continue without interruption. The exterior and interior walls will be of noncombustible material 9” masonry blocks. All the exterior walls and some interior masonry walls will be load bearing supporting roof construction (light weight concrete on metal decking and bar joists). Because it is a building for inmate education, all walls will be secure to store tools. Construction of this building is exempt from LEED Silver and Two Green Globes certification standards because it is a correctional facility. The roof has been evaluated by the Department of Administration and has been determined to comply with JBRC policy and will come with the minimum 20-year material and workmanship warranty.

Rationale: The existing building is a block-brick building with bar joist supporting a lightweight concrete roof deck. The lightweight concrete roof deck has deteriorated and is no longer a waterproof roof system. The building has not undergone any major upgrades since it was built, and all of the building systems are outdated and in need of repair or replacement. This building will remain in use until the new building is constructed and in use.

Facility Characteristics: The existing Palmer Building is approximately 20,736 square feet and was constructed in 1969 (57 years old). The proposed new facility will be approximately 22,800 square feet. The Palmer Building is used for education and vocational programs, and it serves the entire inmate population of 704 inmates at the correctional institution.

Financial Impact: This phase of the project will be funded from FY23 Appropriated State (nonrecurring) (uncommitted balance \$5.91 million at December 19, 2025) and Appropriated State, Operating (uncommitted balance \$81.9 million at December 19, 2025) Funds. The project is expected to result in a decrease of \$10,000 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$8,721,758 funded from Appropriated State (nonrecurring) and Appropriated State Operating Funds. Contract execution is expected in June 2026 and completion of construction in December 2028.

(ff) Project: JBRC Item 33: Department of Corrections
N04.9759: Lee CI – Renovations for K-9 Unit

Request: Increase Phase II Full Construction Budget to cover the cost of having an outside contractor assist with completing the renovations.

Included in CPIP: No – The project was mistakenly omitted from the 2025 CPIP.

Phase I Approval: April 2019 (estimated at \$225,000) (JBRC Staff)

Phase II Approval: August 2019 (estimated at \$225,000) (JBRC Staff)

Phase II Increase Approval: August 2021 (estimated at \$295,000) (JBRC)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Carryforward	3,375	291,625	295,000		295,000
Appropriated State, Operating				120,000	120,000
All Sources	<u>3,375</u>	<u>291,625</u>	<u>295,000</u>	<u>120,000</u>	<u>415,000</u>

Summary of Work: The project will renovate the existing support building located outside the perimeter fence of the Lee Correctional Institution to house the specialized K-9 Unit. The work includes 12 inside shelter areas, 12 exterior run areas, an office, storage, and security perimeter fence.

Rationale: The project was established to house a new specialized K-9 Unit program. Operational staff toured facilities and saw that using protective dogs changed the attitude of the violent inmates to more amicable demonstrations of treatment towards the correctional officers. This project was initially supposed to be fully completed by staff at the correctional institution. However, due to COVID, staffing issues, and funding, this project was delayed and has not been completed. The painting, sealing, floors, installation of doors, cabinets and fencing will be completed by agency staff. The contractor will complete the block and concrete work left to finish the dog kennels.

Facility Characteristics: The support building is approximately 4,500 square feet and was constructed in 2000 (26 years old). Approximately 3,200 square feet of the building will be impacted by the project. The facility will house 12 K-9's and have an average of 18 staff members.

Financial Impact: The increase will be funded from Appropriated State, Operating (uncommitted balance \$82.45 million at December 15, 2025). The project is expected to result in an increase of \$7,360 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$415,000 funded from Carryforward and Operating Funds. Contract execution is expected in June 2026 and completion of construction in December 2026.

(gg) Project: JBRC Item 34: Department of Corrections
 N04.9780: Security and Maintenance Upgrades – Relocation of Recreation Yards and Observation Tower Installation

Request: Revise Scope to remove the construction of 3 observation towers and add the replacement of all existing light fixtures in this project established to relocate recreation yards and add observation towers at 4 correctional institutions.

Included in CPIP: No – Scope revisions are not required to be included in the CPIP.

Phase I Approval: December 2021 (estimated at \$10,822,500) (Admin.)

Phase II Approval: February 2022 (estimated at \$10,822,500) (Admin.)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, FY22 Cares Act, (FY26 Proviso 65.30: Department of Corrections Security and Maintenance Reserve)	10,822,500		10,822,500		10,822,500
All Sources	<u>10,822,500</u>		<u>10,822,500</u>		<u>10,822,500</u>

Summary of Work: The project was established to relocate the recreation yards to the front area of the dorms, add additional fencing with electronic gates, reroute sidewalks and underground utilities as needed, and add secure elevated guard towers inside the yard at Lee, McCormick, Lieber, and Evans correctional institutions. This scope revision request will remove the construction of observation towers at McCormick, Lieber, and Evans correctional institutions and to add the replacement of all existing light fixtures with modern high-performance LED perimeter lights and inner mast pole lights. The remaining original project scope has all been completed.

Rationale: The observation towers are not being constructed at McCormick, Lieber, and Evans correctional institutions due to understaffing. It was also determined that upgrading the lighting at the 4 institutions was more critical at this time. Upgrading the existing antiquated, non-energy efficient fixtures with modern, high performance LED perimeter lights and inner mast pole lights is dual purposed. It will increase illumination levels across all institution yards, thereby enhancing crucial visibility for surveillance and improvement overall site security for both staff and inmates. Additionally, long-term savings on utility costs for the state should be realized. Overall, this project will increase safety and security of the staff and inmates by increasing the staff's situational awareness. The recreation yards are currently located at the back of the housing units where inmates are blocked from most sight lines of staff. The observation towers will allow an elevated platform for improved observation and provide a control room for remote operation of the gates serving the recreation yards, housing units, and the correctional institutions main yards.

Facility Characteristics: The work in this project will be completed at Lee, McCormick, Lieber, and Evans correctional institutions. The 4 towers to be constructed will be approximately 15-foot by 15-foot including the wrap around steps with an 8-foot by 8-foot conditioned space at the top. The total fencing to be relocated along with additional fencing will be approximately 8,000 linear feet. The four institutions house 2,600 inmates.

Financial Impact: The project will be funded from Federal, FY22 Cares Act Funds (uncommitted balance \$5.25 million at December 22, 2025). The project is expected to result in an increase of \$4,490 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$10,822,500 funded from Cares Act Funds. Completion of construction is expected in December 2028.

(hh) Project: JBRC Item 35: Forestry Commission
P12.9612: Buckfield Project

Request: Establish Final Land Acquisition to purchase +/- 2,821 acres in Beaufort, Jasper, and Hampton Counties.

Included in CPIP: Yes – 2025 CPIP Priority 1 of 4 in FY26 (estimated at \$8,050,000)

Phase I Approval: August 2025 (estimated at \$8,050,000) (SFAA)

Revise Scope Approval: February 2026 (estimated at \$12,558,361) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Timber Sales Revenue	50,000		50,000		50,000
Other, SCOR EPA Climate Pollution Grant				12,508,361	12,508,361
All Sources	<u>50,000</u>		<u>50,000</u>	<u>12,508,361</u>	<u>12,558,361</u>

Rationale: The project was established to acquire +/- 2,880 acres between two potential transactions. Subsequent to establishment of the project it was determined that +/- 59 acres would not be available to acquire. The scope was revised in February 2026 to remove the +/- 59 acres bringing the total down to +/- 2,821 acres and to modify the proposed potential transactions for how the property will be acquired. This is a working forest tract that has been identified as a priority for conserving working forest land. This property and surrounding area are in eminent danger of being lost to develop with proximity to I-95, Hwy 17, and Hwy 21. If acquired the property will become a new state forest that will be protected and managed by the agency for multiple-use and sustain-yield. Multiple use management includes enhancing timber production, fish and wildlife habitat, air and water quality, soil conservation, scenic beauty, scientific research, and recreational opportunities. Sustained yield means assuring that the renewable resources of the forest will always be available without impairing the productivity of the land.

Characteristics: The property consists of 15 parcels located in Hampton, Jasper, and Beaufort counties near the town of Yemassee. This property has two contiguous tracts adjacent to the new Coosawhatchie HP WMA and other private owned protected land that extends down into the ACE Basin.

Financial Impact: Chilton Timber & Land Company is offering +/- 1,079 acres in Jasper and Hampton County to Open Space Institute. Open Space Institute currently owns +/- 1,742 acres in Beaufort County. Open Space Institute is offering the total +/- 2,821 acres to the Forestry Commission for \$12,508,361. The acquisition will be funded from Other, SC Office of Resilience EPA Climate Pollution Grant Funds (uncommitted balance \$12.5 million at December 30, 2025). An appraisal completed in December 2025 valued the Beaufort County property at \$14,285,000. An appraisal completed in December 2025 valued the Jasper and Hampton County property at \$9,430,000. Phase I Environmental Site Assessments were completed in September 2025 and found no evidence of recognized environmental conditions in connection with the property. A Building Condition Assessment is not required because there are no buildings located on the property. Letters of support have been received from Jasper County, Jasper County School District, Hampton County, and Hampton County School District authorizing the removal of the property from the tax rolls. Letters of support are not required for Beaufort County because the property is owned by a nonprofit entity. Acquisition of the property is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$12,558,361 funded from Timber Sales Revenue and SC Office of Resilience EPA Climate Pollution Grant Funds.

Other: The Forestry Commission has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase.

(ii) Project: JBRC 36: Department of Natural Resources
P24.6117: Beaufort-Turnure House Renovation

Request: Establish Phase II Full Construction Budget to repair and renovate the Turnure House located at the Waddell Mariculture Center in Beaufort County.

Included in CPIP: Yes – 2025 CPIP Priority 6 of 60 in FY26 (estimated at \$500,000)

Phase I Approval: December 2024 (estimated at \$500,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Appropriated State, Proviso 118.19 (B)(84)(g), (Waddell Mariculture Center)	7,500		7,500	492,500	500,000
All Sources	<u>7,500</u>		<u>7,500</u>	<u>492,500</u>	<u>500,000</u>

Summary of Work: The project will complete interior and exterior renovations which include window replacement, HVAC upgrades, siding repair/replacement, kitchen and bathroom upgrades, painting, flooring, ADA upgrades, electrical plumbing and associated components as needed.

Rationale: Because of its age and location near the coast, the house needs renovation and repair, not only to preserve the structure and prevent further deterioration, but to also make it energy efficient and ADA accessible.

Facility Characteristics: The Turnure House is 4,480 square feet and was constructed in 1929 (97 years old). The house serves as a dormitory for visiting scientists, college students, and researchers worldwide. The house and grounds are frequently used for community gatherings and public events and has historical value.

Financial Impact: The project will be funded from FY24 Appropriated State Funds (nonrecurring) (uncommitted balance is \$492,500 at December 30, 2025). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$500,000 funded from Appropriated State (nonrecurring) Funds. Contract execution is expected in May 2026 and completion of construction in December 2026.

(jj) Project: JBRC Item 37: Department of Parks, Recreation, and Tourism
P28.9872: Redcliffe Plantation Historic Structures

Request: Establish Phase I Pre-Design to reconstruct the Redcliffe Slave Quarters.

Included in CPIP: No – The need for the project was unknown during the 2025 CPIP submission process.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Park Revenue				13,593	13,593
All Sources				<u>13,593</u>	<u>13,593</u>

Summary of Work: The project will reconstruct a saddlebag clapboard-sided structure at Redcliffe Plantation. The work includes foundation work, timber framing, pine siding, doors and windows, brick piers, pine tongue and groove flooring, and exterior painting. Salvageable materials will be reused, with others repurposed for interpretive exhibits.

Rationale: The structure was destroyed by Hurricane Helene in 2024. Restoring the structure will expand educational programming, provide visitor shelter, and create a flexible gathering space. Restoring it will also restore a rare and essential resource for understanding the site’s history. Redcliffe maintains strong environmental mitigation practices and remains committed to preserving its historic landscape.

Facility Characteristics: The building is 800 square feet and was constructed in 1859 (167 years old). It was originally built to house two of the enslaved families who built and sustained Redcliffe Plantation, the home of prominent South Carolina politician James Henry Hammond. The park has an estimated 5,000 visitors per year.

Financial Impact: This phase of the project will be funded from Other, Park Revenue Funds (uncommitted balance \$8.02 million at December 18, 2025). Park Revenues are derived from operating revenue generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$906,174 (internal). Phase II will be funded from \$755,200 in Historic Preservation Grant, \$103,251 in FEMA and \$35,000 in Insurance Reserve Funds.

(kk) Project: JBRC Item 38: Department of Parks, Recreation, and Tourism
P28.9873: Property Acquisition – Pipsissewa Passage Expansion

Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of +/- 23 acres in Greenville County.

Included in CPIP: Yes – 2025 CPIP Priority 19 of 63 in FY26 (estimated at \$20,000 for due diligence activities)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Park Revenue				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

Rationale: Acquisition of the property will add more conservation acreage to the total footprint of the Paris Mountain State Park and additional recreational access for visitors as its location is ideal for expanding the park’s existing trail system.

Characteristics: The property includes 4 parcels that are directly adjacent to the northeastern boundary of the park and the current Pipsissewa Passage / Wingard acquisition (P28-9863). The property consists of rolling topography, mature mixed hardwood, and riparian forests.

Financial Impact: The property is offered by Naturaland Trust for not more than appraised value, which is anticipated to be \$500,000. The due diligence activities will be funded from Other, Park Revenue Funds (uncommitted balance \$8.02 million at December 18, 2025). Park Revenues are derived from operating revenue generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. The acquisition is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$520,000 funded from Park Revenue Funds.

Other: The South Carolina Department of Parks, Recreation, and Tourism has coordinated and collaborated with the South Carolina Conservation Bank to confirm the proposed conservation land acquisition of this property is an appropriate conservation purchase and it will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase.

(II) Project: JBRC Item 39: Department of Parks, Recreation, and Tourism
P28.9867: Cheraw State Park Boardwalk

Request: Establish Phase II Full Construction to renovate the boardwalk.

Included in CPIP: Yes – 2025 CPIP Priority 33 of 33 in FY26 (estimated at \$1,000,000)
Phase I Approval: June 2025 (estimated at \$1,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, Land, Water, Conservation Grant				421,630	421,630
Other, Park Revenue	15,000		15,000	406,630	421,630
All Sources	<u>15,000</u>		<u>15,000</u>	<u>828,260</u>	<u>843,260</u>

Summary of Work: The project will renovate the Cheraw State Park Boardwalk over Lake Juniper. The work will include a complete re-decking and repairs to its support structures. The work will also include site preparation for the sidewalk, demolition of the old boardwalk, and concrete work for the boardwalk trail.

Rationale: The existing boardwalk has had minimal repairs and board replacement since its construction and is due for a complete re-decking and repairs to its support structures. According to the agency, continuing to operate the boardwalks and observation decks in their current condition will result in increasing maintenance costs, reduced visitor experience, and potential losses in revenue.

Facility Characteristics: The boardwalk is a half mile trail that was constructed in 1993 (33 years old). The boardwalk trail crosses the dam spillway at Cheraw State Park. It is a popular walking trail for day-use visitors, but also for campground guests that use the boardwalk as a foot path to the rest of the park. The park has an estimated 570,000 visitors annually.

Financial Impact: This phase of the project will be funded from Federal, Land Water Conservation Grant (uncommitted balance \$500k at December 29, 2025) and Other, Park Revenue Funds (uncommitted balance \$7.75 million at December 29, 2025). Park Revenues are derived from operating revenue generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$843,260 funded from Land Water Conservation Fund Grant and Park Revenue Funds. Contract execution is expected in June 2026 and completion of construction in December 2027.

(mm) Project: JBRC Item 40: Department of Parks, Recreation, and Tourism
P28.9857: Black River Camper Village

Request: Change Project Name, Revise Scope, and Increase Phase II Full Construction Budget to purchase five luxury campers and construct a camper village.

Included in CPIP: No – The need for the increase was unknown during the 2025 CPIP submission process.

Phase II Approval: October 2024 (estimated at \$1,435,637) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated State, Proviso 118.19 (B)(45)(k), (State Park Enhancements)	1,435,637		1,435,637		1,435,637
FY25 Appropriated State, Proviso 118.20 (B)(38)(a), (Agency Property Development)				674,581	674,581
All Sources	<u>1,435,637</u>		<u>1,435,637</u>	<u>674,581</u>	<u>2,110,218</u>

Summary of Work: The agency will purchase 5 luxury campers for future state park rentals along the Black River. Each of the luxury camper units will be equipped with modern amenities to ensure a comfortable stay. The campers will be permanent fixtures for the Black River Complex to include permanent siting with permanent electrical and plumbing connections. The increase will cover the increased cost associated with completing the full build-out of the Camper Village at the High Bluffs, which is a tract within the park.

Rationale: Per the agency, this park amenity will create a new recreational opportunity like no other in the SC State Park Service. The amenity will also give more access to the Black River as part of the Black River Water Trail. The project will also benefit the overall South Carolina State Park system by optimizing the park’s potential to generate operational revenue.

Facility Characteristics: The Black River State Park serves as a destination for local events and recreation as well as tourists from across the world. It is a draw for the local communities as a major ecotourism boost. It provides safe public access while interpreting the area’s rich history. The park plays a vital role in the continued preservation and promotion of South Carolina's sensitive and natural green space. The project is expected to provide new opportunities to an estimated 125,000 state park visitors annually.

Financial Impact: This increase will be funded from FY25 Appropriated State (nonrecurring) Funds (uncommitted balance is \$964k at December 29, 2025). The project is expected to result in an increase of \$19,500 (year 1), \$21,000 (year 2), and \$23,000 (year 3) in annual operating expenditures.

Full Project Estimate: \$2,110,218 funded from Appropriated State (nonrecurring) Funds. Completion of construction is expected in February 2027.

(nn) Project: JBRC Item 41: Patriots Point Development Authority
P36.9546: Patriots Point Temporary Retail Village

Request: Establish Phase I Pre-Design Budget to construct a temporary retail village.

Included in CPIP: No – The project was omitted in error from the 2025 CPIP submission.

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Admissions Revenue				122,430	122,430
All Sources				<u>122,430</u>	<u>122,430</u>

Summary of Work: The project will construct a temporary retail village at Patriots Point. The temporary retail village will be modular prefabricated units to temporarily house retail, and ticketing operations until a new permanent building can be constructed.

Rationale: The current building needs to be vacated in 16 months for new tenant development. The agency does not have any other buildings that can house these operations. The project will provide for the uninterrupted guest admissions and gift shop sales to support the museum. According to the agency, the temporary village is the best and only way to accomplish these goals with the time and funds available.

Facility Characteristics: The existing building is 7,850 square feet and was constructed in 1988 (38 years old). The temporary retail village will total approximately 8,640 square feet and will house a retail shop, ticketing operations, utilities and I.T., public meeting space, and visitor restrooms. Patriots Point has over 300,000 visitors, staffers, contractors, and vendors utilizing the facility space annually.

Financial Impact: The project will be funded from Other, Admissions Revenue Funds (uncommitted balance \$16.05 million at November 30, 2025). Admissions Revenue Funds are derived from the park and museum admission fees and revenue from leased property. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$2,635,812 (internal) funded from Admissions Revenue Funds. The Phase I amount requested is 4.6% of the estimated cost to complete the project and the additional amount will be used to cover concept design/structural design/CAD modeling, engineering, site survey, utility location, and additional contingency funds.

(oo) Project: JBRC Item 42: Patriots Point Development Authority
P36.9547: Laffey Dry Dock

Request: Establish Phase I Pre-Design Budget to make repairs to the USS Laffey at the Patriots Point Naval & Maritime Museum.

Included in CPIP: Yes – 2025 CPIP Priority 2 of 3 in FY26 (estimated at \$3,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Admissions Revenue				300,000	300,000
All Sources				<u>300,000</u>	<u>300,000</u>

Summary of Work: The project will make repairs to the USS Laffey at the Patriots Point Naval & Maritime Museum. The work will include the removal from the ship’s berth, dry dock, and perform the following maintenance: 1.) Dredge path from berth to main water access; 2.) Disconnect all utilities from the site; Remove 60 ft removable main pier section using heavy lift crane and barges; 3.) Tugs pull Laffey from berth, transport to shipyard by tow. Drydock, perform hull inspection, repair plating (if required), new bottom paint; 4.) Remove Laffey from drydock. Possible pier space layup while any topside painting required accomplished prior to Patriots Point berth return trip; 5.) Dredge Laffey berth to ensure it is deep enough for the ship to contact the bottom at mean low water; 6.) Repair broken mooring piling the ship ties up to while ship is away; and 7.) Reinstall main pier section removed above.

Rationale: The USS Laffey is overdue for maintenance and repairs. This is mandated by the US Navy Ship Donation program.

Facility Characteristics: The museum ship ex-USS Laffey is a World War II destroyer and designated historical federal landmark. It was built in 1943 (83 years old). It has been berthed at Patriots Point Naval & Maritime Museum since 1981 (45 years ago). It is visited by over 200,000 visitors annually, including school and veteran groups.

Financial Impact: The project will be funded from Other, Admissions Revenue Funds (uncommitted balance \$16.05 million at November 30, 2025). Admissions Revenue Funds are derived from the park and museum admission fees and revenue from leased property. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$3,690,362 (internal) funded from Admissions Revenue Funds. The Phase I amount requested is 8.13% of the estimated cost to complete the project and the additional amount will be used to cover the cost of hiring a Project Manager to oversee the project and to reserve dry docking space for the ship because the ship must be raised to be inspected and for the repair work to be completed.

(pp) Project: JBRC Item 43: Department of Employment and Workforce
R60.9547: C. Lem Harper Building – Window Leak Repairs

Request: Establish Phase I Pre-Design Budget to replace the building window system wet exterior and interior sealant.

Included in CPIP: Yes – 2025 CPIP Priority 4 of 4 in FY26 (estimated at \$663,532)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Contingency Assessment				4,500	4,500
All Sources				<u>4,500</u>	<u>4,500</u>

Summary of Work: The project will replace the existing sealants around the perimeter of all window units in the facility. The sealant is a HAZMAT material and must be abated as required.

Rationale: The sealant is cracked and annealed and cannot be further repaired. The windows are leaking throughout the building. Continued long-term water penetration creates an environment conducive for mold as well as high humidity inside the facility.

Facility Characteristics: The C. Lem Harper Building is 47,660 square feet and was constructed in 1992 (34 years old). The window systems are original to the building. The building is utilized by the Department of Employment and Workforce - Lower Authority Appeals, Higher Authority Appeals, Appellate Panel, Benefits Accuracy Measurement Group, Migrant Seasonal Farm Workers Advocacy. Approximately 75 staff utilize the building on a full-time basis and 2,500 staff use the auditorium on an annual basis for training, seminars, and other meetings.

Financial Impact: The project will be funded from Other, Contingency Assessment Funds (uncommitted balance \$74.55 million at December 30, 2025). Revenue to this fund is generated from the contingency assessment portion of the tax accounted for in the special revenue fund, which is primarily to fund the administrative costs and employment services. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$250,800 (internal) funded from Contingency Assessment Funds. The Phase I amount requested is 1.79% of the estimated cost to complete the project and the additional amount will be used for asbestos testing.

4. **What is the Authority asked to do?** Consider approval of the Permanent Improvement Projects

5. **What is recommendation of the submitting agency involved?** The items are complete and ready for SFAA review.

6. **Private Participant Disclosure – Check only one:**

No private participants will be known at the time the Authority considers this agenda item.

A Private Participant Disclosure form has been attached for each private participant. As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. **Recommendation of other office (as required)?**

(a) Authorized Signature: _____

(b) Office Name: _____

8. **List of Supporting Documents:**

1. Permanent Improvement Project Backup Documentation

9. **Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop. Supporting documentation should include all related agreements or approval requests (e.g., leases, contracts, permanent improvements, indebtedness, agenda items), either current or anticipated; or provide affirmation from the submitting agency that there are no related transactions.**

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: South Carolina Department of Public Safety Lease of 33 Villa Road, Suite 200, Greenville, SC

The South Carolina Department of Public Safety (Agency) requests approval to lease eighteen thousand three hundred and two (18,302) square feet of office space at 33 Villa Road in Greenville from Piedmont Center Holding, LLC. The Agency has been located at 33 Villa Road, Greenville since 2011. The current lease is at a rate of \$16.32 per square foot, and it expires on October 31, 2026. This lease will continue to provide support for emergency operations, highway patrol headquarters location and telecommunication center.

After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for various lease terms. There was one (1) proposal received. The selected location was chosen by the Agency because the property meets all space requirements.

The requested lease term is seven (7) years and is expected to commence on or about November 1, 2026.

The rent for the first year of the term will be \$311,134.00 or \$17.00 per square foot (rounded) and includes operating costs, taxes and insurance. Beginning in year two, the rental rate shall escalate 3% annually over the term. The following chart sets forth the rent over the term.

<u>TERM</u>	<u>PERIOD: FROM - TO</u>	<u>MONTHLY RENT</u>	<u>ANNUAL RENT</u>	<u>RENT PER SF</u>
YEAR 1	11/1/2026-10/31/2027	\$25,927.83	\$311,134.00	\$17.00
YEAR 2	11/1/2027-10/31/2028	\$26,705.67	\$320,468.02	\$17.51
YEAR 3	11/1/2028-10/31/2029	\$27,506.84	\$330,082.06	\$18.04
YEAR 4	11/1/2029-10/31/2030	\$28,332.04	\$339,984.52	\$18.58
YEAR 5	11/1/2030-10/31/2031	\$29,182.01	\$350,184.06	\$19.13

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: South Carolina Department of Public Safety Lease of 33 Villa Road, Suite 200, Greenville, SC

YEAR 6	11/1/2031-10/31/2032	\$30,057.47	\$360,689.58	\$19.71
YEAR 7	11/1/2032-10/31/2033	\$30,959.19	\$371,510.27	\$20.30

The total rent to be paid over the lease term is \$2,384,052.51.

The following chart represents comparable lease rates of similar space in the Greenville area:

Tenant	Location	Rent per SF
Department of Social Services	714 N Pleasantburg Drive, Greenville	\$20.50*
Vacant	84 Villa Road, Greenville	\$21.50
Vacant	701 Brookfield Parkway, Greenville	\$28.50

*Subject to annual rent increase

The lease has adequate parking on the premises. The lease also meets the State space standards with a density of approximately 184 SF per person.

The Agency has adequate funds for the lease according to a Budget Approval Form approved by the Executive Budget Office on February 20, 2026. Lease payments will be funded through revenue from driver's license and title fees.

No option to purchase the property is included in the lease.

The lease was approved by the Joint Bond Review Committee at their meeting on March 25, 2026.

AUTHORITY ACTION REQUESTED:

Approve the proposed seven-year lease for the South Carolina Department of Public Safety of eighteen thousand three hundred and two (18,302) square feet of office space at 33 Villa Road in Greenville from Piedmont Center Holding, LLC., as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet and attachment

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: 3/31/2026

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:

Ashlie Lancaster
Ashlie Lancaster, FMPS Director

2. Subject: South Carolina Department of Public Safety Lease of 33 Villa Road, Suite 200, Greenville, SC

3. Summary and Background Information:

The South Carolina Department of Public Safety (Agency) requests approval to lease eighteen thousand three hundred and two (18,302) square feet of office space at 33 Villa Road in Greenville from Piedmont Center Holding, LLC. The Agency has been located at 33 Villa Road, Greenville since 2011. The current lease is at a rate of \$16.32 per square foot, and it expires on October 31, 2026. This lease will continue to provide support for emergency operations, highway patrol headquarters location and telecommunication center.

After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for various lease terms. There was one (1) proposal received. The selected location was chosen by the Agency because the property meets all space requirements.

The requested lease term is seven (7) years and is expected to commence on or about November 1, 2026.

The rent for the first year of the term will be \$311,134.00 or \$17.00 per square foot (rounded) and includes operating costs, taxes and insurance. Beginning in year two, the rental rate shall escalate 3% annually over the term. The following chart sets forth the rent over the term.

<u>TERM</u>	<u>PERIOD: FROM - TO</u>	<u>MONTHLY RENT</u>	<u>ANNUAL RENT</u>	<u>RENT PER SF</u>
YEAR 1	11/1/2026-10/31/2027	\$25,927.83	\$311,134.00	\$17.00
YEAR 2	11/1/2027-10/31/2028	\$26,705.67	\$320,468.02	\$17.51
YEAR 3	11/1/2028-10/31/2029	\$27,506.84	\$330,082.06	\$18.04
YEAR 4	11/1/2029-10/31/2030	\$28,332.04	\$339,984.52	\$18.58
YEAR 5	11/1/2030-10/31/2031	\$29,182.01	\$350,184.06	\$19.13

YEAR 6	11/1/2031-10/31/2032	\$30,057.47	\$360,689.58	\$19.71
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The total rent to be paid over the lease term is \$2,384,052.51.

The following chart represents comparable lease rates of similar space in the Greenville area:

Tenant	Location	Rent per SF
Department of Social Services	714 N Pleasantburg Drive, Greenville	\$20.50*
Vacant	84 Villa Road, Greenville	\$21.50
Vacant	701 Brookfield Parkway, Greenville	\$28.50

*Subject to annual rent increase

The lease has adequate parking on the premises. The lease also meets the State space standards with a density of approximately 184 SF per person.

The Agency has adequate funds for the lease according to a Budget Approval Form approved by the Executive Budget Office on February 20, 2026. Lease payments will be funded through revenue from driver's license and title fees.

No option to purchase the property is included in the lease.

The lease was approved by the Joint Bond Review Committee at their meeting on March 25, 2026.

4. What is the Authority asked to do? Approve the proposed seven-year lease for the South Carolina Department of Public Safety of eighteen thousand three hundred and two (18,302) square feet of office space at 33 Villa Road in Greenville from Piedmont Center Holding, LLC.

5. What is recommendation of the submitting agency involved? Approve the seven-year lease for the South Carolina Department of Public Safety of eighteen thousand three hundred and two (18,302) square feet of office space at 33 Villa Road in Greenville from Piedmont Center Holding, LLC.

6. Private Participant Disclosure – Check only one:

No private participants will be known at the time the Authority considers this agenda item.

A Private Participant Disclosure form has been attached for each private participant. As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. Recommendation of other office (as required)?

(a) Authorized Signature: _____

(b) Office Name: _____

8. List of Supporting Documents:

Agency Request Letter
Private Participant Disclosure
Map and Street View of Premises

9. Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop. Supporting documentation should include all related agreements or approval requests (e.g., leases, contracts, permanent improvements, indebtedness, agenda items), either current or anticipated; or provide affirmation from the submitting agency that there are no related transactions.



south carolina
DEPARTMENT of PUBLIC SAFETY
PROTECT. EDUCATE. SERVE.

February 20, 2026

Ms. Ashlie Lancaster
South Carolina Department of Administration
Real Property Services
1200 Senate Street, 6th floor
Columbia, SC 29201

RE: Lease for 33 Villa Road, Greenville, SC

Dear Ms. Lancaster:

The Department of Public Safety requests approval from the Department of Administration, Facilities Management and Property Services (FMPS), to enter into a seven (7) year lease with Piedmont Center Holding, LLC for 18,302 rentable square feet of office space at 33 Villa Road, Greenville, SC 29615. The Department of Public Safety's current lease at the same location expires October 31, 2026.

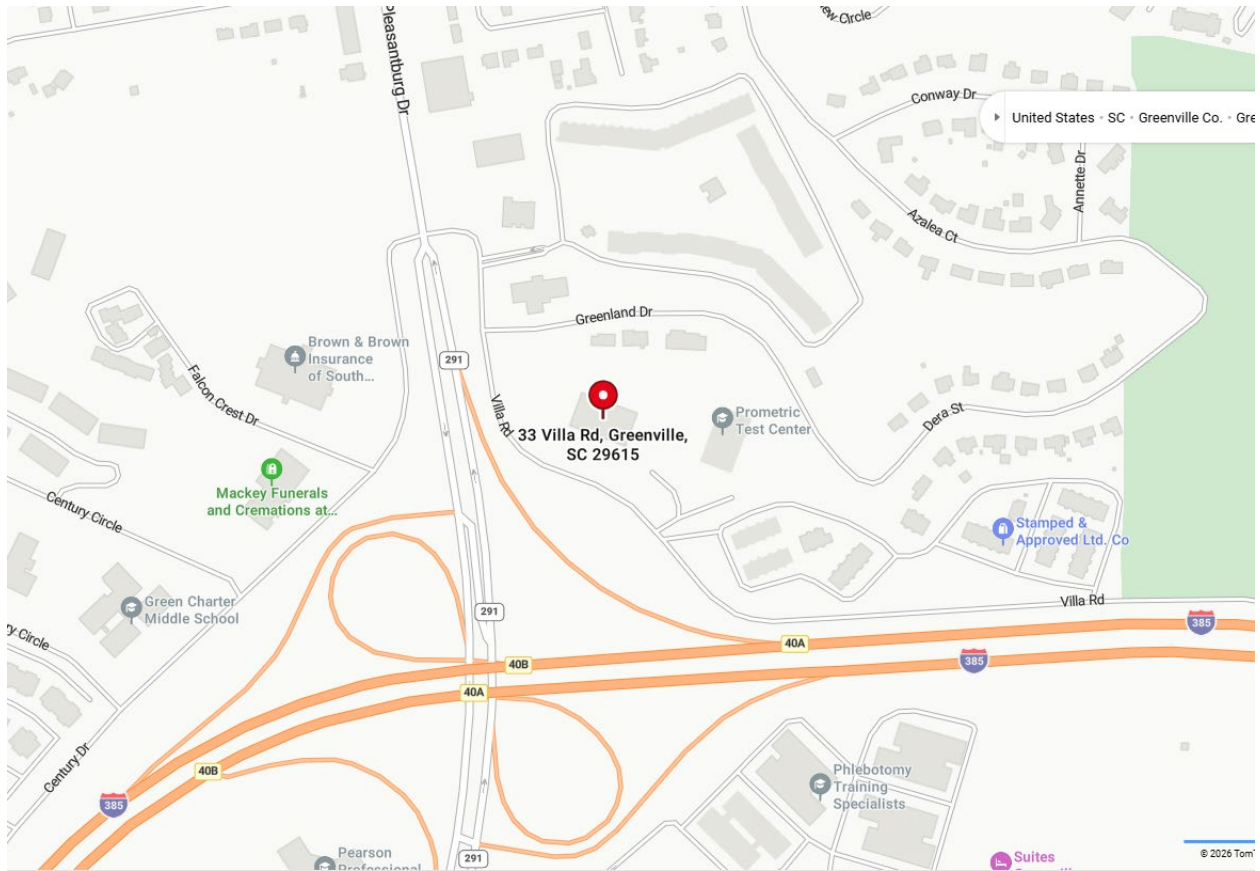
After contacting state agencies to verify that there was no adequate state space available, the Department of Administration solicited for commercial space and one proposal was received.

Considering the only proposal that was received was from the current landlord, the current location was deemed the most responsive bid. The cumulative cost of the lease during the term is \$2,384,052.51.

Thank you for your consideration of this request and please let me know if you need any additional information.

Sincerely,

R.G. Woods, IV, MA, CPM
Director
SC Department of Public Safety



AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: South Carolina Department of Social Services Lease of 714 N. Pleasantburg, Greenville, SC

The South Carolina Department of Social Services (Agency) requests approval to lease twenty-two thousand (22,000) square feet of office space at 714 N. Pleasantburg in Greenville from North Pointe Buildings, LLC. The Agency has been located at 714 N. Pleasantburg, Greenville since 2009. The current lease is at a rate of \$19.59 per square foot, and it expires on August 31, 2026. This lease will continue to provide support for child support and adoption services in the upstate region.

After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for various lease terms. There was one (1) proposal received. The selected location was chosen by the Agency because the property meets all space requirements and is conveniently located within the ten outlying counties.

The requested lease term is seven (7) years and is expected to commence on or about September 1, 2026.

The rent for the first year of the term will be \$451,000.00 or \$20.50 per square foot (rounded) and includes operating costs, taxes and insurance. Beginning in year two, the rental rate shall escalate 2% annually over the term. The following chart sets forth the rent over the term.

<u>TERM</u>	<u>PERIOD: FROM - TO</u>	<u>MONTHLY RENT</u>	<u>ANNUAL RENT</u>	<u>RENT PER SF</u>
YEAR 1	9/1/2026-8/31/2027	\$37,583.33	\$451,000.00	\$20.50
YEAR 2	9/1/2027-8/31/2028	\$38,335.00	\$460,020.00	\$20.91
YEAR 3	9/1/2028-8/31/2029	\$39,101.70	\$469,220.40	\$21.33
YEAR 4	9/1/2029-8/31/2030	\$39,883.73	\$478,604.81	\$21.75
YEAR 5	9/1/2030-8/31/2031	\$40,681.41	\$488,176.90	\$22.19
YEAR 6	9/1/2031-8/31/2032	\$41,495.04	\$497,940.45	\$22.63

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: South Carolina Department of Social Services Lease of 714 N. Pleasantburg, Greenville, SC

YEAR 7	9/1/2032-8/31/2033	\$42,324.94	\$507,899.26	\$23.09
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The total rent to be paid over the lease term is \$3,352,861.82.

The following chart represents comparable lease rates of similar space in the Greenville area:

Tenant	Location	Rent per SF
Department of Public Safety	33 Villa Road, Greenville	\$17.00*
Vacant	84 Villa Road, Greenville	\$21.50
Vacant	701 Brookfield Parkway, Greenville	\$28.50

*Subject to annual rent increase

The lease has adequate parking on the premises. The lease also meets the State space standards with a density of approximately 172 SF per person.

The Agency has adequate funds for the lease according to a Budget Approval Form approved by the Executive Budget Office on February 2, 2026. Lease payments will be funded through federal funding and state appropriations.

No option to purchase the property is included in the lease.

The lease was approved by the Joint Bond Review Committee at their meeting on March 25, 2026.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: South Carolina Department of Social Services Lease of 714 N. Pleasantburg, Greenville, SC

AUTHORITY ACTION REQUESTED:

Approve the seven-year lease for the South Carolina Department of Social Services Office of twenty-two thousand (22,000) square feet of office space at 714 N. Pleasantburg Drive in Greenville from North Pointe Buildings, LLC, as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet and attachment

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: 3/31/2026

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:

Ashlie Lancaster

Ashlie Lancaster, FMPS Director

2. Subject: South Carolina Department of Social Services Lease of 714 N. Pleasantburg, Greenville, SC

3. Summary and Background Information:

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After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for various lease terms. There was one (1) proposal received. The selected location was chosen by the Agency because the property meets all space requirements and is conveniently located within the ten outlying counties.

The requested lease term is seven (7) years and is expected to commence on or about September 1, 2026.

The rent for the first year of the term will be \$451,000.00 or \$20.50 per square foot (rounded) and includes operating costs, taxes and insurance. Beginning in year two, the rental rate shall escalate 2% annually over the term. The following chart sets forth the rent over the term.

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YEAR 7	9/1/2032-8/31/2033	\$42,324.94	\$507,899.26	\$23.09

The total rent to be paid over the lease term is \$3,352,861.82.

The following chart represents comparable lease rates of similar space in the Greenville area:

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Vacant	701 Brookfield Parkway, Greenville	\$28.50

*Subject to annual rent increase

The lease has adequate parking on the premises. The lease also meets the State space standards with a density of approximately 172 SF per person.

The Agency has adequate funds for the lease according to a Budget Approval Form approved by the Executive Budget Office on February 2, 2026. Lease payments will be funded through federal funding and state appropriations.

No option to purchase the property is included in the lease.

The lease was approved by the Joint Bond Review Committee at their meeting on March 25, 2026.

4. What is the Authority asked to do? Approve the proposed seven-year lease for the South Carolina Department of Social Services of twenty-two thousand (22,000) square feet of office space at 714 N. Pleasantburg Drive in Greenville from North Pointe Buildings, LLC.

5. What is recommendation of the submitting agency involved? Approve the seven-year lease for the South Carolina Department of Social Services of Office of twenty-two thousand (22,000) square feet of office space at 714 N. Pleasantburg Drive in Greenville from North Pointe Buildings, LLC.

6. Private Participant Disclosure – Check only one:

No private participants will be known at the time the Authority considers this agenda item.

A Private Participant Disclosure form has been attached for each private participant. As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

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(a) Authorized Signature: _____

(b) Office Name: _____

8. List of Supporting Documents:

Agency Request Letter
Private Participant Disclosure
Map and Street View of Premises

9. Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop. Supporting documentation should include all related agreements or approval requests (e.g., leases, contracts, permanent improvements, indebtedness, agenda items), either current or anticipated; or provide affirmation from the submitting agency that there are no related transactions.



HENRY McMASTER, GOVERNOR
TONY CATONE, STATE DIRECTOR



January 30, 2026

Ms. Ashlie Lancaster, Director
South Carolina Department of Administration
Real Property Services
1200 Senate Street, 6th Floor
Columbia, South Carolina 29201

RE: Lease for 714 N. Pleasantburg Drive, Greenville, South Carolina 29607

Dear Director Lancaster,

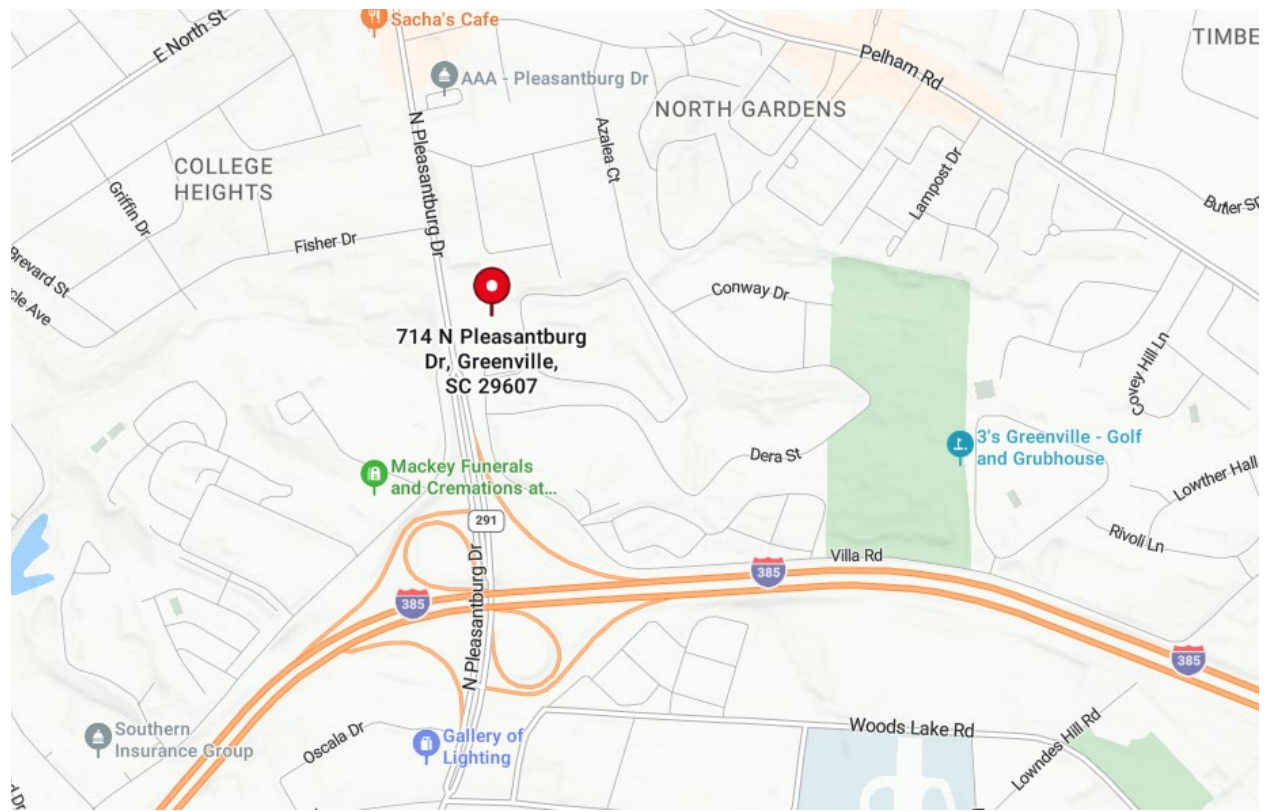
The South Carolina Department of Social Services requests approval from the Department of Administration, Facilities Management and Property Services (FMPS), to enter into a seven-year lease with North Pointe Buildings LLC for 22,000 rentable square feet of office space at 714 N. Pleasantburg Drive, Greenville, South Carolina 29607. The South Carolina Department of Social Services current lease at 714 N. Pleasantburg Drive, Greenville, South Carolina 29607 expires on August 31, 2026.

After contacting state agencies to verify that there was no adequate state space available, the Department of Administration solicited for commercial space and only one proposal was received. DSS staff determined that this building is the most suitable option for their needs. After careful consideration, 714 N. Pleasantburg Drive, Greenville, South Carolina 29607 was selected because DSS staff has an excellent working relationship with the landlord, the building meets all space requirements, and it is conveniently located with easy interstate access for extensive travel to the (10) outlying counties. It is also in close proximity to the County DSS office and is centrally situated near the City of Greenville and the Family Court. The cumulative cost of the lease during the term is \$3,352,861.82.

Thank you for your consideration of this request and please let me know if you need any additional information.

My best,

Tony Catone
State Director



AGENCY: Division of Procurement Services

SUBJECT: South Carolina Education Lottery (SCEL) – Approval of Contract Duration,
Central Gaming System

Section 11-35-2030(5), of the SC Consolidated Procurement Code limits the maximum potential duration for any contract to seven years unless the Authority approves a longer maximum potential duration. South Carolina Education Lottery (SCEL) seeks Authority approval to solicit and award a contract with a performance term after installation of equipment and conversion to the new system of up to fifteen years for a central gaming system and related software that facilitates the sale of all SCEL products. SCEL officials believe the resulting contract will encourage effective competition by allowing vendors to amortize initial equipment and initial implementation costs (conversion costs) over a longer period of time thereby reducing the fixed monthly payments that SCEL must pay the vendor.

AUTHORITY ACTION REQUESTED:

Under authority of SC Consolidated Procurement Code Section 11-35-2030(5), authorize the South Carolina Education Lottery (SCEL) to solicit and award a contract with a performance term of up to fifteen years for a new central gaming system and related software that facilitates the sale of all SCEL products, as recommended by the Division of Procurement Services.

ATTACHMENTS:

Agenda item worksheet and attachment

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: 3/31/2026

Regular Agenda

1. Submitted by:

- (a) Agency: Division of Procurement Services
(b) Authorized Official Signature:



John St. C. White, Materials Management Officer

2. Subject: Other-Specify

South Carolina Education Lottery (SCEL) – Approval of Contract Duration, Central Gaming System.

3. Summary and Background Information:

Section 11-35-2030(5), of the SC Consolidated Procurement Code limits the maximum potential duration for any contract to seven years unless the Authority approves a longer maximum potential duration. SCEL seeks Authority approval to solicit and award a contract with a performance term after installation of equipment and conversion to the new system of up to fifteen years for a central gaming system and related software that facilitates the sale of all SCEL products. SCEL officials believe the resulting contract will encourage effective competition by allowing vendors to amortize initial equipment and initial implementation costs (conversion costs) over a longer period of time thereby reducing the fixed monthly payments that SCEL must pay the vendor.

4. What is the Authority asked to do?

Under authority of SC Consolidated Procurement Code Section 11-35-2030(5), authorize SCEL to solicit and award a contract with a performance term of up to fifteen years for a new central gaming system and related software that facilitates the sale of all SCEL products.

5. What is recommendation of the submitting agency involved? Grant SCEL's requests as set forth in Section four above.

6. Private Participant Disclosure – Check one:

- No private participants will be known at the time the Authority considers this agenda item.
 A Private Participant Disclosure form has been attached for each private participant.
As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. Recommendation of other office (as required)? Grant the requests as set forth in Section four above.

- (a) Authorized Signature: _____
(b) Office Name: _____

8. List of Supporting Documents:

- A- Section 11-35-2030(5) of the SC Consolidated Procurement Code
B- SCEL's Request
C- Extended terms previously approved by the Authority

9. Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop.

SECTION 11-35-2030. Multiterm contracts.

(1) Specified Period. Unless otherwise provided by law, a contract for supplies, services, or information technology must not be entered into for any a period of more than one year unless approved in a manner prescribed by regulation of the board. The term of the contract and conditions of renewal or extension must be included in the solicitation and funds must be available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods must be subject to the availability and appropriation of funds for them.

(2) Determination Prior to Use. Before the utilization of a multiterm contract, it must be determined in writing by the appropriate governmental body that:

(a) estimated requirements cover the period of the contract and are reasonably firm and continuing; and

(b) such a contract serves the interest of the State by encouraging effective competition or otherwise promoting economies in state procurement.

(3) Cancellation Due to Unavailability of Funds in Succeeding Fiscal Periods. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract must be canceled.

(4) Maximum Duration. The maximum potential duration for a contract is five years. A maximum potential duration of up to seven years may be approved by the appropriate chief procurement officer.

(5) Authority Approval. Every type of contract with a maximum potential duration exceeding seven years must be approved by the board. For competitive procurements, approval of the maximum potential duration must be granted before solicitation.



March 12, 2026

John St. C. White, PE
Chief Procurement Officer and State Engineer
1333 Main Street, Suite 700
Columbia, SC 29201

RE: Further Consideration of Fifteen-Year Performance Term

Dear Mr. White:

The South Carolina Education Lottery (SCEL) respectfully requests your support for a performance term of up to fifteen years for the Lottery's Central Gaming System and Other Related Services contract. South Carolina is unique among lotteries in that state law prohibits SCEL from contracting with a vendor whose compensation is contingent, in whole or in part, on lottery sales or other profitability measures (South Carolina Code of Laws §59-150-130(J)). As a result, SCEL cannot leverage sales-based incentives to offset vendor costs. A fifteen-year performance term would therefore provide an essential mechanism to stabilize long-term pricing, ensure predictable budgeting, and secure the most favorable cost structure available.¹

The scale and complexity of this procurement cannot be overstated. Transitioning to a new vendor typically requires up to a full year and places significant demands on every SCEL department. Millions of data points across years of electronic records must be migrated carefully between proprietary systems to preserve accuracy and integrity. At the same time, SCEL personnel and more than 3,900 retailers statewide must be retrained as the new system is designed, configured, tested, and implemented.

On the vendor side, a successful conversion requires substantial up-front investment. The new vendor must build both primary and backup data centers, secure real estate for these facilities, deploy conversion personnel, and hire permanent field staff across the state. These costs are unavoidable and substantial.

A longer contract term enables vendors to amortize these investments more efficiently, directly lowering annual costs to the State. This effect is evident in other jurisdictions. The Missouri Lottery

¹ It is important to note that many lotteries are not subject to a state procurement code and routinely negotiate contract renewals with their respective vendors to secure cost savings.

(ML), for example, recently transitioned from a ten-year to a fifteen-year contract after its competitive procurement for the same type of system. ML estimates annual cost savings of approximately six million dollars as a result.

A fifteen-year performance term also helps protect SCEL from market fluctuations, including rising labor costs and technology infrastructure expenses. Longer continuity allows the vendor to build institutional knowledge that improves service quality, reduces operational disruptions, and minimizes transition-related risks such as data-migration challenges, security vulnerabilities, downtime, personnel attrition, and contract-related disputes. When accompanied by appropriate oversight mechanisms, a longer-term contract offers both stability and accountability, allowing SCEL to optimize value over the full life of the system.

In summary, a fifteen-year performance term—beginning upon completion of system conversion—will lower monthly payments by spreading millions of dollars in unavoidable conversion and infrastructure costs across a longer period. This approach is fiscally prudent, operationally beneficial, and fully aligned with SCEL’s statutory constraints.

Please let me know if you have any questions or would like additional information. Thank you for your assistance and for your careful consideration of this request.

Sincerely,



Dolly J. Garfield

Chief Executive Officer



SCEL PROJECT SCOPE STATEMENT

BACKGROUND AND PURPOSE

The Lottery's partnership with its gaming Contractor is of utmost importance to ensure public confidence in SCEL's products and overall operations. The Contractor is responsible for the design, development, delivery, full implementation, maintenance and operation of a comprehensive central gaming system environment and provision of services in accordance with the requirements set forth in the RFP. SCEL seeks to extend the maximum duration of its new contract to a performance term of fifteen (15) years. Extending the performance term will result in a more robust, secure, agile, and modern gaming system designed to support future growth and innovation, enhance operational efficiency, and improve the player and retailer experience. Most importantly, the growth in revenue will result in greater returns and net proceeds transferred to the State Treasurer for the Education Lottery Account (ELA).

SCOPE OF PROJECT

Procuring a new gaming system is a major operational change. The process is expensive, time consuming, disruptive to business operations, and carries a potential risk of lost revenue during conversion which can take up to nine months. Conversion costs incurred by the Contractor is a multimillion-dollar investment regardless of whether the contract performance term is seven, ten, fifteen years. To fully understand the costs, it is helpful to understand the scope of this project.

The Contractor must remain compliant with gaming industry standards and regulations to protect against fraud and ensure the integrity of the gaming process. The System must accommodate future technological advancements and changes in the gaming landscape. The System must be securely integrated with new and existing infrastructure and related software and include a back-office application system and interface, retailer sales terminals and Point-of-Sale (POS) equipment (i.e. ticket checkers, digital signage, etc.), and a primary and secondary communication network (wiring, routers, firewalls, etc.) connected through VSAT, satellite, cellular, and other communication methods. The System must accurately monitor and report lottery ticket sales, detect unusual claims activity, assist with retailer accounting, and ensure retailers remain compliant with proper inventory controls, security background checks, and ownership requirements for licensure.

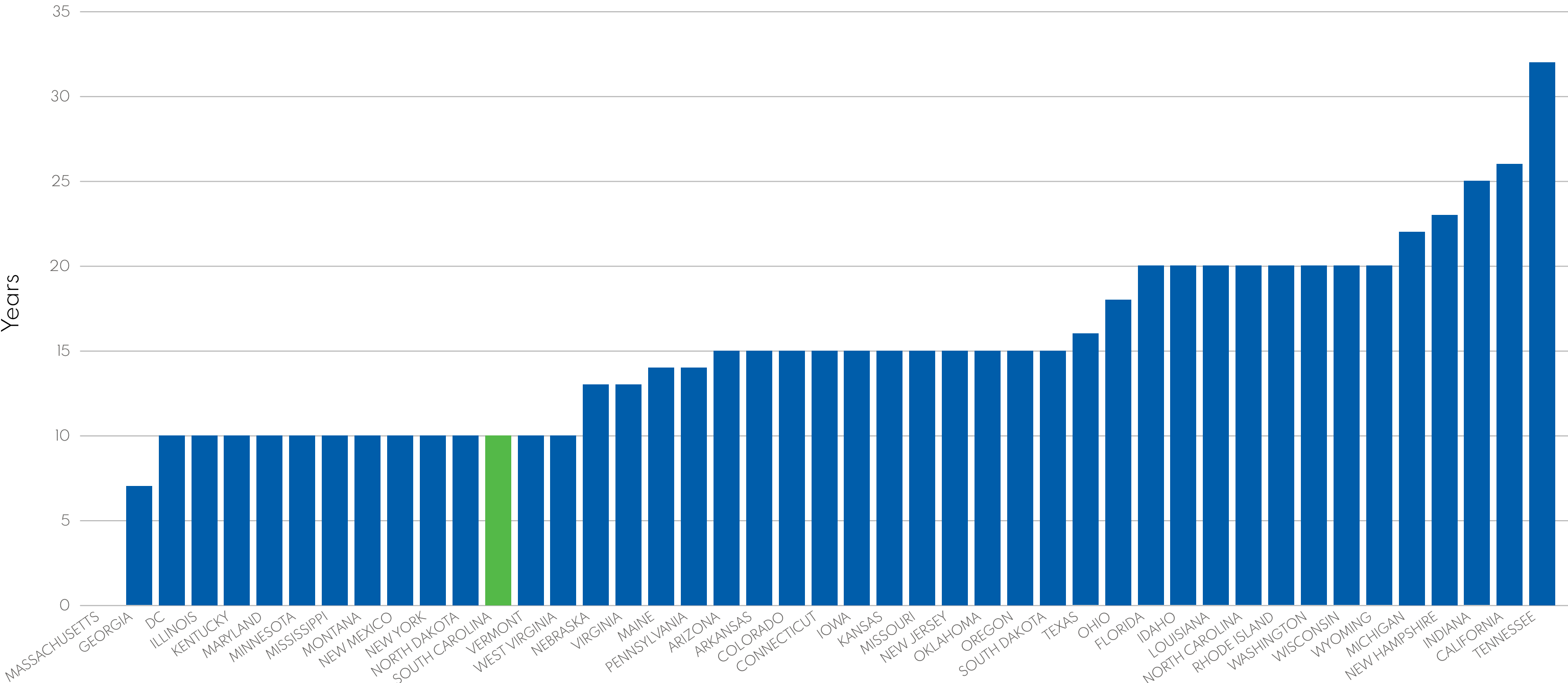
Electronic records of historical data must be matched and migrated from the current vendor's propriety system to the new vendor's propriety system so that the integrity and accuracy of the records prior to

conversion are maintained in the new system. Transactional records for instant and draw games must be transferred seamlessly to players and retailers to facilitate the processing of financial and claims activity associated with the millions of sales transactions these games generate each week. Each retailer's transactional records (e.g., sales, retailer commissions, and claims) generate weekly invoices and year-end tax records. Inventory management records (location of each ticket pack and its status, "in transit" - "received" - "activated for sale" - "stolen", etc.) are essential for product security and retailer accounting and must be accurately transferred to the new system for all instant games.

Field operations for both SCEL and the retailer are significantly impacted during a conversion. New retail terminal equipment must be installed and configured at sales counters in approximately 4,000 retail outlets across the state. The new terminals must be "turned on" for software updates and testing while current terminals remain operational. Training for all owners and/or clerks is required to operate the new terminals and generate sales reports. In addition to these costs, the new Contractor must lease real estate property to accommodate (1) new primary data center with a call center and warehouse space (centrally located to SCEL's main office) and (1) new back-up data center (at a remote location within the U.S.); and employ data center and call center personnel, warehouse staff, and field technicians to service SCEL's statewide retailer network. Although there will be a period of dual process testing, all of the aforementioned operations will be transferred immediately from one vendor's system to another vendor's system (i.e. one day the old system and its equipment is disconnected and the next day SCEL and its retailers will be operating from the new system and with new retail sales equipment).

All the costs described herein are incurred upfront by the Contractor and passed on to SCEL upon completion of conversion (standard practice in the lottery industry). The new Contractor will not be paid for any contractually related services until sales are successfully processed into the new system. Additionally, SCEL will not pay the existing Contractor and new Contractor simultaneously while one is generating revenue for the State and the other is not. A fifteen-year performance term ensures lower monthly payments by SCEL because millions of dollars of upfront costs can be spread over fifteen years rather than a shorter term of seven to ten years. The Contractor bears all costs associated with every aspect of the operation that is owned or performed by the Contractor and extending the interval between potential business disruptions is prudent as the average term of a US lottery contract for these services is 15 years (see attached chart - "Support C").

US Lotteries Maximum Contract Length (Years)



*The Massachusetts Lottery performs all Central Gaming Service operations internally and does not outsource these services.
 **The Georgia Lottery has the ability to negotiate contract extensions and recently signed a 7-year extension.

State Fiscal Accountability Authority
Approved Contract Durations Greater Than Seven Years Since 2015

Date of Approval	Agency	Item	Maximum Potential Duration
4/28/2015	University of South Carolina	Sports Marketing & Media Rights	10 years
3/8/2016	SC Educational Lottery	Central Gaming System	10 year performance term
9/20/2016	University of South Carolina	Food Service	15 years
9/20/2016	Department of Mental Health	Operation of Sexually Violent Predator Treatment Program	40 years
12/13/2016	University of South Carolina	Concessions, catering, and non-athletic event merchandise sales for all athletic venues	10 years
8/31/2017	SC Forestry Commission	Operation of Neiderhof Forestry Center	10 Years
9/1/2017	SC Forestry Commission	Operation of Taylor Nursery	10 Years
12/12/2017	Winthrop University	Food Service	10 Years
12/12/2017	SFAA Division of Procurement Svcs	Electronic Procurement System	10 year performance term
12/11/2018	Medical University of South Carolina	Enterprise Resource Planning System	11 year performance term
5/14/2019	University of South Carolina	Trademark and Licensing including apparel	10 years
6/18/2019	Department of Transportation	Enterprise Asset Management System	17 years
12/17/2020	University of South Carolina	Rental Management, premium catering, and operation of dining facility at Williams Brice Stadium	10 years
5/18/2021	Trident Technical College	Enterprise Resource Planning System	11 year performance term
10/12/2021	Medical University of South Carolina	Student Information System	11 years
5/31/2022	Clemson University	Enterprise Resource Planning System	11 year performance term
1/31/2023	Department of Mental Health	Psychiatric Residential Treatment Facility for juveniles	7 years after substantial completion of construction
3/28/2023	Clemson University	Licensing Agent contract	10 years
3/28/2023	Clemson University	Licensing and Campus Apparel Retail contract	10 years
3/28/2023	Department of Social Services	Economic Services System Application Modernization (ESSAM) System	12 years
10/17/2023	Department of Administration	SCEIS Modernization	10 year performance term
3/26/2024	University of South Carolina	Health Sciences Campus Operations and Maintenance	10 years
6/18/2024	University of South Carolina	River District Development	Greater than 7 years with final duration to be approved with submittal of proposed contract to SFAA
8/27/2024	Department of Transportation	Specific Service (Logo) Signing Program	12 years
10/15/2024	Department of Corrections	Bio Waste Gasification	20 years after substantial completion of construction
10/15/2024	USC Aiken	Food Service	10 years
10/15/2024	USC Upstate	Food Service	10 years
12/10/2024	USC	Rutledge Bldg Development	50 years
12/10/2024	USC	Henderson St. Houses Dev.	40 years
12/10/2024	USC	Carolina Gardens Dev.	50 years
4/1/2025	Department of Motor Vehicles	Business Application System	14 years after implementation
6/10/2025	Clemson University	MUSC-Physicians	30 years
2/10/2026	PRT Sanctuary Point Development	Sanctuary Point Development, operation & Maintenance	50 years
2/10/2026	USC	Food and beverage sales in athletic venues	15 years
2/10/2026	USC	Athletic multimedia/sponsorship rights	15 years

AGENCY: Office of the Attorney General

SUBJECT: Legal Settlement of Litigation Related to Captain Sams Spit

In 2009, Kiawah Development Partners II, the predecessor in interest of KDP II, LLC (KDP), brought a civil action against the State of South Carolina and the South Carolina Department of Health and Environmental Control (n/k/a Department of Environmental Services (DES)) in Charleston County (civil action number 2009-CP-10-02847). The litigation includes claims for unconstitutional regulatory and physical taking of property without just compensation based on the denial of a requested permit to construct an erosion control structure along the banks of the Kiawah River designed to facilitate development of land popularly known as Captain Sams Spit.

The litigation was stayed until September 2021, after rulings by the Supreme Court of South Carolina that at different times reversed three separate Administrative Law Court decisions authorizing various erosion control structures. In March 2022, the State of South Carolina and DES filed Motions to Dismiss, which were subsequently denied in October 2022. Without the erosion control structure, the continued erosion of the bank of the Kiawah River over the 12 years of litigation before the stay was lifted (and nearly 17 years after the litigation commenced) caused the jurisdictional line on the beachfront to intersect with the critical area line on the river, thereby eliminating the original access corridor that KDP claims is necessary to facility development of Captain Sams Spit.

KDP is seeking damages in excess of \$200,000,000. In lieu of further protracted litigation and likely appeals, the parties to the litigation are desirous to settle all claims and avoid ongoing litigation expenses and mitigate the risk of an adverse judgment. The Department of Natural Resources is not a party to the litigation but is an active necessary participant in the settlement agreement. The State's contribution for settlement of the litigation is \$32,000,000 if appropriated by the General Assembly during the current legislative session.

The proposed settlement has been approved by the Office of the Attorney General, South Carolina Department of Environmental Services, and South Carolina Department of Natural Resources.

AGENCY: Office of the Attorney General

SUBJECT: Legal Settlement of Litigation Related to Captain Sams Spit

AUTHORITY ACTION REQUESTED:

As requested by the Attorney General, and pursuant to Section 11-1-45, authorize settlement of Civil Action 2009-CP-10-02847 for not more than \$32,000,000 by the Attorney General (acting for the State of South Carolina), the South Carolina Department of Environmental Services, and the Department of Natural Resources, and authorize the payment for the settlement by any agency to which applicable funds are appropriated, if appropriated by the General Assembly.

ATTACHMENTS:

AGENCY: University of South Carolina and Department of Administration, Facilities Management and Property Services

SUBJECT: Not Exceeding \$58,000,000 of General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), of the State of South Carolina

The Authority is asked to approve the Change Source of Funds and Establish Phase II Full Construction Budget to comprehensively renovate and reconfigure the interior of the building and complete exterior renovations. This Phase will be funded from institution bond funds.

The Authority is further asked to adopt a resolution making provision for the issuance and sale of not exceeding \$58,000,000 of General Obligation State Institution Bonds (Issued on Behalf of the University Of South Carolina), of the State of South Carolina.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$58,000,000 of General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), of the State of South Carolina and approve the Change Source of Funds and Establish Phase II Full Construction Budget to comprehensively renovate and reconfigure the interior of the building and complete exterior renovations.

ATTACHMENTS:

1. Agenda Item Worksheet for the Permanent Improvement Project
2. Bond Information Report
3. Bond Counsel Opinion Letter
4. SFAA Resolution
5. Bond Resolution and Exhibits
6. Bond Transmittal Form
7. February 23, 2026 Transmittal Letter from Gary T. Pope, Jr.

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: 3/31/2026

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:

Ashlie Lancaster

Ashlie Lancaster, FMPS Director

2. Subject: University of South Carolina (Columbia) – McKissick Building Renovation

3. Summary Background Information:

Project: University of South Carolina – Columbia
H27.6162: McKissick Building Renovation

Request: Change Source of Funds and Establish Phase II Full Construction Budget to comprehensively renovate and reconfigure the interior of the building and complete exterior renovations.

Included in CPIP: Yes – 2025 CPIP Priority 5 of 15 in FY26 (estimated at \$47,550,000)

Phase I Approval: February 2025 (estimated at \$47,550,000) (SFAA)

Supporting Details: Pages

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Institution Bonds				55,000,000	55,000,000
Other, Institutional	700,000		700,000	(700,000)	
All Sources	<u>700,000</u>			<u>54,300,000</u>	<u>55,000,000</u>

Summary of Work: The project will comprehensively renovate and reconfigure interior space to create classrooms and study spaces, modernize the Visitors Center and address capital renewal needs. Structural mezzanines will be removed to optimize volume for new classrooms. Existing aged MEP building systems will be entirely replaced, and a code-required sprinkler system will be installed. The lower two floors will be modernized to improve the services of the Visitors Center. The upper two floors will be renovated to offer 8 classrooms, study space, and offices. A café will be constructed in a new ADA-accessible two-story entrance lobby from Gibbes Green. New code-compliant egress stairs and restrooms will be constructed. The renovation will re-expose the windows to the interior allowing natural light to flood the building and views of the Horseshoe and Gibbes Green. Exterior work will create new student entrance patios surveying Gibbes Green, enhanced accessibility for disabled visitors, minor exterior limestone repairs, and the creation of a roof terrace to overlook Gibbes Green. Site work will replace aged underground energy and utility infrastructure serving McKissick and the buildings of the Gibbes Green District and enhance landscaping and hardscaping in Gibbes Green east of McKissick.

Rationale: The project will thoroughly address maintenance needs and revitalize and transform the interior of McKissick so that it is more thoroughly utilized by the students and faculty and can better serve university needs. New classroom and study space will address student enrollment growth. The mechanical, electrical, plumbing, life safety

building systems, and energy/utility infrastructure need replacement due to having exceeded service lives and/or not compliant with current building codes.

Facility Characteristics: The McKissick building is 51,144 square feet and was constructed in 1940 (86 years old). The building houses the Visitor's Center, the McKissick Museum, Center for American Civic Leadership and Scholarship, eight modern general classrooms, numerous study lounges, an outdoor event space, and a café for students, faculty, staff, and prospective students. The building is a high-volume facility with several thousand utilizing it annually- mostly as a result of visits to the Visitors Center.

Financial Impact: This phase of the project will be funded from Institution Bond Funds (to be issued). The renovation will be completed to meet Two Green Globes certification standards with anticipated energy savings of \$407,311.25 over 30 years. The project is expected to result in an increase of \$20,000 (year 1) and a decrease of \$5,000 (years 2 thru 3) in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Although not being utilized to fund this project, a portion of tuition is designated for capital improvements, currently \$40 per student per semester, and has not changed between academic years 2021-2022 to 2025-2026. A bond debt service fee of \$319.50 per semester (in-state) and \$815.50 per semester (out-of-state) is charged to students to service outstanding debt.

Full Project Estimate: \$55,000,000 Institution Bond Funds. Contract execution is expected in October 2026 and completion of construction in August 2028.

4. What is the Authority asked to do? Consider approval of the Permanent Improvement Project Establish Phase II and Change Source of Funds request.

5. What is recommendation of the submitting agency involved? This item is complete and ready for SFAA review.

6. Private Participant Disclosure – Check only one:

- No private participants will be known at the time the Authority considers this agenda item.
- A Private Participant Disclosure form has been attached for each private participant. As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. Recommendation of other office (as required)?

- (a) Authorized Signature: _____
- (b) Office Name: _____

8. List of Supporting Documents:

- | |
|---|
| <ul style="list-style-type: none">1. Permanent Improvement McKissick Building Renovation2. Bond Information Report |
|---|

9. Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop. Supporting documentation should include all related agreements or approval requests (e.g., leases, contracts, permanent improvements, indebtedness, agenda items), either current or anticipated; or provide affirmation from the submitting agency that there are no related transactions.



Pope Flynn, LLC
1411 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201
MAIN 803.354.4900
FAX 803.354.4899
www.popeflynn.com

February 23, 2026

Mr. Delbert H. Singleton, Jr.
Assistant Executive Director and Authority Secretary
South Carolina State Fiscal Accountability Authority
1200 Senate Street, Suite 600
Columbia, SC 29201

Re: Not Exceeding \$58,000,000 of General Obligation State Institution Bonds of the State of South Carolina (Issued on Behalf of the University of South Carolina)

Dear Delbert:

On behalf of the University of South Carolina, in connection with the authorization of the above-referenced bonds (the "Bonds"), and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") meeting scheduled for March 31, 2026, we respectfully enclose the following for consideration by the Authority:

1. An executed Bond Transmittal Form;
2. A resolution adopted by the Board of Trustees of the University of South Carolina on December 16, 2025, making application to the Authority in connection with the Bonds;
3. A proposed form of opinion of Bond Counsel; and
4. A proposed form of Bond Resolution of the Authority (an electronic copy is being provided contemporaneously with this letter).

We have provided the Office of State Treasurer with copies of the Bond Counsel request form, the New Debt Information Form (NDIF) – Initial Form, and a copy of this submission package. Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,

A handwritten signature in blue ink, appearing to read "G. T. Pope, Jr.", written over a printed name.

Gary T. Pope, Jr.

c: Kevin O'Brien, Director, Debt Management Division, Office of State Treasurer
Mandy Kibler, Associate Vice President and University Controller, University of South Carolina

Enclosures



OFFICE OF STATE TREASURER

New Debt Information Form (NDIF) - Initial Form

SFAA Approval Date: 03/31/26

Final Version Date: 03/31/26

1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H27 Issuer: University of South Carolina Series: 2026
 Borrower (if not Issuer): _____
 Bond Caption: State Institution Bonds - Series 2026
 Bond Resolution Amount: \$58,000,000 Est. Production/Par Amt: \$ 48,895,000

(* Used to calculate initial COI percentages; STO bond issues must use Par Amt *)

Final Production/Par Amt: \$ -**Submitted By:**

ENTITY: University of South Carolina
 BY: Mandy Kibler
 ITS: Associate VP for Finance
 Tel: 803-777-2123
 Email: kiblerm@email.sc.edu

Transaction Type/Method of Sale:

Public Offering: Competitive: Negotiated: _____
 Direct Placement: Competitive: _____ Negotiated: _____
 Governmental Loan/Governmental Purchaser
 Other: _____

MSRB (EMMA) Continuing Disclosure Requirement (Y/N): Y
 MSRB (EMMA) Continuing Disclosure Responsible Party: STO

2. FINANCING (NEW PORTION)

Project #: 6162 Project Name: McKissick Building Renovation
 Project Address/Location: USC Columbia Campus - Horseshoe Amount: \$55,000,000.00
 Project Type: Renovation Academic Building County: Richland
 Projected Avg Interest Rate: 3.67% (All-in TIC) Final Maturity: 05/01/46

3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$ -			\$ -	
		-			-	
		-			-	
Total		\$ -	*****	*****	\$ -	

4. FINANCING WORKING GROUP

Financial Advisor: Public Resources Advisory Group Disclosure Counsel: Howell Linkous & Nettles
 Bond Counsel: Pope Flynn, LLC Issuer's Counsel: Attorney General
 Underwriter: TBD-Competitive Sale Trustee: State Treasurer's Office
 Paying Agent: US Bank Other: N/A

5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

The bonds will provide proceeds necessary to comprehensively renovate the McKissick Building in the center of the University's main campus. Costs of the issuance of the bonds are calculated at the anticipated par amount of \$48.89 million in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience, and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the bonds and will vary with market conditions. Costs of issuance as listed in Section 9 assume a stand-alone issuance. The Office of State Treasurer may issue the bonds as part of a larger transaction to reduce costs if appropriate.

6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	12/16/25	
JBRC Approval:	03/24/26	Proposed
SFAA Approval:	03/31/26	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	12/16/25	
JBRC Approval:	03/24/26	Proposed
SFAA Approval:	03/31/26	Proposed

7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sq. Footage -	<input type="checkbox"/>
Cost Estimate -	\$0

- a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)
- b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?
- c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

	Bond Proceeds	FYE	Spend Down Schedule Notes
Est. Expenditures - Through 6 Months	\$ 20,496,124	6/30/2027	Costs of issuance, initial construction costs (estimate)
Est. Expenditures - Through 12 Months	\$ 35,000,000	6/30/2028	Construction draws (estimate)
Est. Expenditures - Through 18 Months			Note: draw schedule is under development.
Est. Expenditures - Through 24 Months			
Est. Expenditures - Through 36 Months			
Est. Expenditures - Through 48 Months			
- Estimated Expenditures: Thru FY:	\$ 55,496,124		

8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 48,895,000	\$ 55,000,000	Project Fund
(b) Premium/Accr. Int.	6,601,124	-	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	-	-	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	-	-	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	-	496,124	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)		-	Accrued Interest
Type -	-	-	Other
Type -	-	-	Other
(6) SCHFDA MFHRB Sources		-	Other
(a) LIHTC	-	-	Other
(a) State Housing TC	-	-	Other
(c) Owner's Equity/Other	-	-	Other
Total Project Sources	\$ 55,496,124	\$ 55,496,124	Total Project Uses
Surplus/Deficit		\$ -	

9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (Added COI entities beyond the following need an attached description **)**

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	PRAG			\$ 65,000	\$ -	\$ 65,000
Bond Counsel	Pope Flynn			\$ 25,000	-	25,000
Disclosure Counsel	Howell Linkous & Nettles			\$ 25,000	-	25,000
Issuer's Counsel				-	-	-
Underwriter's Counsel	N/A			-	-	-
Transaction Counsel	N/A			-	-	-
Legal Expenses				1,500	-	1,500
				-	-	-
Rating Agency - S&P				\$ 38,000	-	38,000
Rating Agency - Moody's				\$ 33,000	-	33,000
Rating Agency - Fitch				\$ 36,000	-	36,000
Underwriter's Compensation	TBD - Competitive			\$ 244,475	-	244,475
Registrar / Paying Agent	U.S. Bank National Assoc.			\$ 10,000	-	10,000
Escrow Agent				-	-	-
Accountant				-	-	-
Verification Agent				-	-	-
Printing	ImageMaster			\$ 5,000	-	5,000
Publishing	IPREO			\$ 1,500	-	1,500
Advertising	Bond Buyer			\$ 1,500	-	1,500
Contingency				\$ 10,149	-	10,149
Issuer's Fee	SC JEDA / SC SHFDA			-	-	-
				\$ 496,124	\$ -	\$ 496,124

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction	0.13%	#DIV/0!
Bond Counsel: % of Transaction	0.05%	#DIV/0!
Total Legal Costs: % of Transaction	0.11%	#DIV/0!
Rating Agencies: % of Transaction	0.22%	#DIV/0!

UW Comp: % of Transaction	0.50%	#DIV/0!
Other COI: % of Transaction	0.06%	#DIV/0!
Total COI: % of Transaction	1.01%	#DIV/0!

BOND TRANSMITTAL FORM

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building (29201)
P.O. Box 12444
Columbia, SC 29211

DATE: 2/23/2026

Submitted for SFAA Meeting on:
3/31/2026

FROM: Pope Flynn, LLC
1411 Gervais Street, Suite 300
P.O. Box 11509
Columbia, SC 29211

RE: Not Exceeding \$58,000,000 General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina) of the State of South Carolina

Project Name: McKissick Building

Documents enclosed (executed original and two copies of each):

(ALL documents required for state law approval; A and C only for ceiling allocation only; must check K or L)

- A. Petition
- B. Resolution or Ordinance
- C. Inducement Resolution or comparable preliminary approval
- D. Department of Health and Environmental Control Certificate *if required*
- E. State Fiscal Accountability Authority Resolution ~~and Public Notice~~ *(original)*
Plus 3 copies for certification and return to bond counsel
- F. Draft bond counsel opinion letter
- G. Signed SFAA Reliance letter
- H. DPH Certificate of Need (C.O.N.)
- I. Debt Questionnaire
- J. Processing Fee

Amount: \$Click or tap here to enter text. **Check No:** Click or tap here to enter text.

Payor: Click or tap here to enter text.

- K. No Private Participant will be known at the time the Authority considers this agenda item.
- L. This agenda item is accompanied by the applicable Private Party Disclosure form for each private participant

Bond Counsel: Gary T. Pope, Jr.
Typed Name of Bond Counsel

Signature 

University of South Carolina Bond Information Report

McKissick Project

Prepared in Connection with the Proposed Authorization of

Not Exceeding \$58,000,000 of State of South Carolina General Obligation
State Institution Bonds (Issued on Behalf of the University of South Carolina),

Amount and Type of Bond. The University of South Carolina (the “University”) is making application to the South Carolina State Fiscal Accountability Authority for the issuance of not exceeding \$58,000,000 of State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), Series 2026 (the “Bonds”), in order to provide funds: (i) to comprehensively renovate, improve, and furnish the McKissick Building, and provide for related infrastructure and sitework; (ii) to reimburse the University for expenses incurred in anticipation of the issuance of such State Institution Bonds ((i) and (ii), collectively, the “Project”); and (iii) to pay for expenses related to the issuance of the Bonds.

Revenues Pledged to Pay the Bonds. Tuition revenues of the University and the full faith, credit, and taxing power of the State of South Carolina would be pledged to the payment of the Bonds. Article X, Section 13, Paragraph (6)(b) of the South Carolina Constitution provides that general obligation bonds for any state institution of higher learning designated by the General Assembly (“State Institution Bonds”) may be issued, if such bonds shall be additionally secured by a pledge of the revenues derived from the tuition fees received by the particular institution of higher learning for which such State Institution Bonds are issued; provided, that the maximum annual debt service on all State Institution Bonds so additionally secured issued for such state institution thereafter to be outstanding shall not exceed 90% of the sums received by such state institution of higher learning from tuition fees for the fiscal year next preceding. The University has covenanted to designate and deposit sufficient tuition fees to meet the 90% maximum annual debt service covenant for the life of the Bonds. Title 59, Chapter 107 of the South Carolina Code (the “Enabling Act”) provides for the authorization of State Institution Bonds. Section 11-29-30 of the South Carolina Code requires the State Treasurer to set aside from the tuition fees collected by such state institution and received in each fiscal year in which interest on and principal of the Bonds become due, so much of such revenues from such tuition fees as may be necessary in order to pay the interest on and principal of all State Institution Bonds issued on behalf of the University and due in each fiscal year, and the State Treasurer thereafter applies such moneys to the punctual payment of such principal and interest as they become due. In the event revenues derived from the tuition fees so pledged prove insufficient to meet the payments of interest on and principal of the Bonds in such fiscal year, then the State Treasurer is authorized and directed to set aside so much of the general tax revenues received in each fiscal year as may be necessary to pay the principal of and interest on the Bonds due in such year and to apply the same to the punctual payment of such principal and interest.

The sum of tuition fees, for the purposes of the Enabling Act, for the fiscal year ended June 30, 2025, totaled not less than \$37,453,769. The debt service requirements on all existing, authorized, and proposed State Institution Bonds (Issued on Behalf of the University) are attached

as Exhibit A. Exhibit B reflects maximum annual debt service of \$14,346,180 in fiscal year 2028, and debt service utilization of fiscal year 2025 tuition fees ranging from 11% to 38%, compared to the 90% statutory limitation. The University will covenant that the schedule of tuition fees now in effect at the University will be revised from time to time and whenever necessary in order to provide the annual principal and interest requirements of all State Institution Bonds now or hereafter to be outstanding, which have been or will be issued on behalf of the University.

New Revenue Generation. Renovating the historic McKissick Building, rather than revenue generation, is the basis for this Project. The University is not relying on any increase in revenues to pay debt service on the Bonds.

Other Funds Available to Pay Bonds. Current tuition levels are more than sufficient to pay the debt service on the Bonds. In order for current tuition levels to be insufficient, enrollment would need to decrease by more than 50%. The University's enrollment has grown approximately 13.6% in the past 5 years.

Student Fees, Credit of the State, Mortgages. The full faith and credit of the State of South Carolina would be pledged to the payment of the Bonds. No Special Student Fee is authorized to be imposed in connection with the Bonds, and none is contemplated. No mortgage or lien has been or will be given in connection with the issuance of the Bonds.

Other Matters. The Board of Trustees adopted its application resolution on December 16, 2025 and requests the issuance of bonds, or bond anticipation notes, during fiscal year ending June 30, 2027. Bond anticipation notes are authorized by the terms of the proposed State Fiscal Accountability Authority Resolution and would be issued to the extent funding needs for the project do not align with the issuance schedule of the State for long term general obligation bonds. The resolutions of the Board of Trustees and the State Fiscal Accountability Authority are consistent with past custom and practice, with no material deviations. Financing approval for this project has not previously been sought. The resolution of the State Fiscal Accountability Authority charges the State Treasurer with ensuring post-issuance tax and disclosure compliance in accordance with custom and practice.

Prepared February 23, 2026 in connection with:

March 25, 2026 Joint Bond Review Committee Meeting

March 31, 2026 State Fiscal Accountability Authority Meeting

Exhibit A

University of South Carolina - State Institution Bonds - Composite Debt Service

Fiscal Year	Existing Debt Service	Debt Service on Authorized but Unissued	Proposed Issue		Composite Debt Service
			Principal	Interest	
6/30/2026	\$ 12,530,822	\$ -	\$ 665,000	\$ 572,982	\$ 13,768,804
6/30/2027	10,093,944	-	2,305,000	1,947,153	14,346,097
6/30/2028	10,092,344	-	2,365,000	1,888,836	14,346,180
6/30/2029	10,086,844	-	2,420,000	1,829,002	14,335,846
6/30/2030	9,534,294	-	2,485,000	1,767,776	13,787,070
6/30/2031	9,533,431	-	2,545,000	1,705,402	13,783,833
6/30/2032	7,999,981	-	2,610,000	1,639,741	12,249,722
6/30/2033	7,998,631	-	2,680,000	1,570,576	12,249,207
6/30/2034	8,004,456	-	2,755,000	1,498,216	12,257,672
6/30/2035	6,907,731	-	2,830,000	1,421,903	11,159,634
6/30/2036	2,821,850	-	2,910,000	1,340,399	7,072,249
6/30/2037	2,817,050	-	3,000,000	1,249,025	7,066,075
6/30/2038	-	-	3,105,000	1,147,925	4,252,925
6/30/2039	-	-	3,215,000	1,038,318	4,253,318
6/30/2040	-	-	3,330,000	919,685	4,249,685
6/30/2041	-	-	3,460,000	791,813	4,251,813
6/30/2042	-	-	3,600,000	653,759	4,253,759
6/30/2043	-	-	3,745,000	505,799	4,250,799
6/30/2044	-	-	3,905,000	347,760	4,252,760
6/30/2045	-	-	4,070,000	178,673	4,248,673
Totals	\$ 98,421,378	\$ -	\$ 58,000,000	\$ 24,014,743	\$ 180,436,121

Exhibit B

University of South Carolina - State Institution Bonds - Coverage

<u>Fiscal Year</u>	<u>Composite Debt</u>	<u>FY25 Tuition</u>	<u>Pro Forma</u>	<u>Pro Forma</u>
	<u>Service</u>	<u>Pledged to Debt</u>	<u>Pledged Tuition</u>	<u>Coverage</u>
		<u>Service</u>		<u>Percentage</u>
6/30/2026	\$ 13,768,804	\$ 37,453,769	-	37%
6/30/2027	14,346,097	37,453,769	-	38%
6/30/2028	14,346,180	37,453,769	-	38%
6/30/2029	14,335,846	37,453,769	-	38%
6/30/2030	13,787,070	37,453,769	-	37%
6/30/2031	13,783,833	37,453,769	-	37%
6/30/2032	12,249,722	37,453,769	-	33%
6/30/2033	12,249,207	37,453,769	-	33%
6/30/2034	12,257,672	37,453,769	-	33%
6/30/2035	11,159,634	37,453,769	-	30%
6/30/2036	7,072,249	37,453,769	-	19%
6/30/2037	7,066,075	37,453,769	-	19%
6/30/2038	4,252,925	37,453,769	-	11%
6/30/2039	4,253,318	37,453,769	-	11%
6/30/2040	4,249,685	37,453,769	-	11%
6/30/2041	4,251,813	37,453,769	-	11%
6/30/2042	4,253,759	37,453,769	-	11%
6/30/2043	4,250,799	37,453,769	-	11%
6/30/2044	4,252,760	37,453,769	-	11%

STATE OF SOUTH CAROLINA
UNIVERSITY OF SOUTH CAROLINA

A RESOLUTION

REQUESTING THE ISSUANCE OF NOT EXCEEDING FIFTY-EIGHT MILLION DOLLARS (\$58,000,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION STATE INSTITUTION BONDS ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA PURSUANT TO CHAPTER 107, TITLE 59, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

December 16, 2025

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A RESOLUTION

REQUESTING THE ISSUANCE OF NOT EXCEEDING FIFTY-EIGHT MILLION DOLLARS (\$58,000,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION STATE INSTITUTION BONDS ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA PURSUANT TO CHAPTER 107, TITLE 59, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

SECTION 1. Findings of Fact. As an incident to the adoption of this Resolution, the Board of Trustees of the University of South Carolina (the "Board of Trustees"), the governing body of the University of South Carolina (the "University"), hereby finds and determines as follows:

(a) This Resolution is adopted by the Board of Trustees pursuant to Title 59, Chapter 107, Code of Laws of South Carolina 1976, as amended (the "Enabling Act").

(b) Pursuant to Section 59-107-40 of the Enabling Act, the Board of Trustees is authorized to make application to the South Carolina State Fiscal Accountability Authority (the "State Authority") for the issuance of General Obligation State Institution Bonds ("State Institution Bonds"), the proceeds of which may be used: (i) to construct, reconstruct, maintain, improve, furnish, and refurbish the buildings of and other permanent improvements to the University; (ii) to defray the costs of acquiring or improving land needed as sites for such improvements or for the campus of the University; and (iii) to reimburse the University for expenses incurred in anticipation of the issuance of such bonds.

(c) The Board of Trustees has determined that a current need exists to comprehensively renovate, improve, and furnish the McKissick Building, and provide for related infrastructure and sitework (the "Project").

(d) The University estimates that the total cost of the Project will be approximately \$57,000,000. In order to fund a portion of the projected costs of the Project, and taking into account other available resources, the Board of Trustees now desires to make application to the State Authority to issue not exceeding Fifty-Eight Million Dollars (\$58,000,000) aggregate principal amount of General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina) of the State of South Carolina (the "Bonds") pursuant to the Enabling Act, on the basis that a definite and immediate need exists for renovating, improving, furnishing, and refurbishing the Project, and therefore for issuing such Bonds. The proceeds of the Bonds shall be applied to defray a portion of the costs of the Project, to reimburse the University for expenses incurred in anticipation of the issuance of the Bonds, and to pay the costs of issuance of the Bonds.

(e) Accordingly, this Resolution is adopted pursuant to Section 59-107-40 of the Enabling Act, in order to make formal application to the State Authority for the issuance of the Bonds, the proceeds of which will be used for the purposes set forth in paragraph (d) of this Section 1.

SECTION 2. Application for Issuance of State Institution Bonds. The Board of Trustees hereby makes formal application to the State Authority for funds through the issuance of the Bonds pursuant to the

provisions of the Enabling Act, in order that the proceeds thereof may be used for the purposes set forth in paragraph (d) of Section 1 hereof.

SECTION 3. Tuition Fees Received in Previous Fiscal Year. Based on tuition fees as defined in the Enabling Act and as described in Section 4 below, for fiscal year July 1, 2024 through June 30, 2025, tuition fees available to pay debt service on State Institution Bonds amounted to the sum of \$37,453,769.

SECTION 4. Current Schedule of Tuition Fees. The schedule of tuition fees, as defined in the Enabling Act and as now in effect at the University, is as set forth as Exhibit A to this Resolution, which schedule is hereby reaffirmed and approved.

SECTION 5. Maturity Schedule for Bonds. The suggested maturity schedule for the Bonds requested to be issued pursuant to this Resolution is set forth as Exhibit B to this Resolution. Said Exhibit B assumes that the principal amount of the Bonds will be \$58,000,000.

SECTION 6. Debt Service on Outstanding State Institution Bonds. A statement showing all State Institution Bonds heretofore issued on behalf of the University now outstanding and not defeased, together with the annual interest and principal payments to become due thereon, is set forth as Exhibit C to this Resolution.

SECTION 7. Debt Service on Outstanding State Institution Bonds Including Requested Bonds. A table showing debt service on all State Institution Bonds to be outstanding for the University following the issuance of the Bonds (at an assumed principal amount of the Bonds of \$58,000,000 and at prevailing rates of interest) is set forth as Exhibit D to this Resolution. Upon the issuance of the Bonds, the maximum annual debt service on all State Institution Bonds secured by tuition fees of the University may not be greater than 90% of the tuition fees received by the University for the preceding fiscal year.

A calculation establishing the right of the University to seek the issuance of Bonds to the extent set forth in this Resolution is set forth as Exhibit E to this Resolution.

SECTION 8. Request for Issuance of Bonds and Bond Anticipation Notes.

(a) The State Authority is requested to make the findings required by the Enabling Act and to request the Governor and the State Treasurer to provide for the issuance of the Bonds by the State of South Carolina (the "State"). If the State Treasurer should determine that all or a portion of the proceeds needed to defray the costs of the Project should be funded by the issuance of bond anticipation notes (the "Notes") pursuant to Chapter 17, Title 11 of the Code of Laws of South Carolina 1976, as amended (the "BAN Act") rather than the Bonds and that the issuance of the Notes would be in the best interest of the State under prevailing market conditions or, in light of the subsequent borrowings necessary to finance the completion of the Project, would be more efficient than issuing Bonds at this time, the Governor and the State Treasurer are further requested to effect the issuance of Notes pursuant to the BAN Act. If Notes are issued and if, upon maturity thereof, the State Treasurer should determine that further issuance of Notes rather than the Bonds would be in the best interest of the State under prevailing market conditions, the Governor and the State Treasurer are requested to continue the issuance of Notes, in a principal amount not to exceed \$58,000,000 until the Governor and the State Treasurer determine to issue the Bonds on the basis as aforesaid, and the Bonds are issued.

(b) The Board of Trustees hereby covenants and agrees that the University will, and hereby directs the President and the Secretary to the Board of Trustees of the University to deposit and designate, or cause to be deposited and designated, sufficient tuition fees during each fiscal year to satisfy the requirement that debt service on all State Institution Bonds issued on behalf of the University (including

the Bonds herein requested) shall not exceed 90% of such tuition fees so deposited and designated. The President and Secretary are hereby authorized and directed to certify the amount so deposited and designated to the State Authority. In the event this application is submitted to the State Authority, or the Bonds herein requested are delivered, in a fiscal year subsequent to the fiscal year in which this Resolution is adopted, the request herein made is expressly conditioned on such certification being made and showing that debt service on all State Institution Bonds issued on behalf of the University (including the Bonds herein requested) does not exceed 90% of such tuition fees so deposited and designated.

SECTION 9. Covenant to Impose Tuition Fees Sufficient to Pay Bonds. The Board of Trustees hereby covenants and agrees that the schedule of tuition fees now in effect at the University will be revised from time to time and whenever necessary in order to provide the annual principal and interest requirements of all State Institution Bonds now or hereafter to be outstanding, which have been or will be issued on behalf of the University.

SECTION 10. Tax Covenants. To the extent that the State Authority provides for the issuance of Bonds on a federally tax-exempt basis, the University will covenant as follows:

(a) Federal Guarantee Prohibition. The University shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations promulgated thereunder (the “Regulations”).

(b) Private Business Limitation. The University shall ensure that (i) not in excess of 10% of the amount actually or constructively received from the sale of the Bonds, together with the investment earnings thereon (“Net Proceeds”), is used directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public but not use by the federal government of the United States of America or any agency or instrumentality thereof (“Private Business Use”), if, in addition, the payment of more than ten percent of the principal or ten percent of the interest due on the Bonds during the term thereof is, under the terms thereof or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the State, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (a) in excess of five percent of the Net Proceeds are used for a Private Business Use, and (b) an amount in excess of five percent of the principal or five percent of the interest due on the Bonds during the term thereof is, under the terms thereof or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the State, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said five percent of Net Proceeds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of a portion of the facilities financed with the proceeds of the Bonds and shall not exceed the proceeds used for the governmental use of the portion of the undertaking to which such Private Business Use is related.

(c) Private Loan Limitation. The University shall ensure that not in excess of the lesser of (i) \$5,000,000 or (ii) 5% of the Net Proceeds of the Bonds will be used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

(d) No Arbitrage. The University represents that it does not expect any portion of the proceeds of the Bonds to be used directly or indirectly to acquire higher yielding investments, or to replace funds which were used directly or indirectly to acquire higher yielding investments for other than a “temporary

period” as defined in the Code and the Regulations. The University further covenants that it will not intentionally use any portion of the proceeds of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments. In making the foregoing representation and covenant, the University understands and intends that words or phrases contained herein have meanings provided therefor under Section 148 of the Code and under the Regulations.

(e) Taxable Series. In the event the State Treasurer designates a series of the Bonds as a taxable series, whereby the interest upon such Bonds is not excludable from income for federal income tax purposes, the preceding provisions of this Section 10 shall not apply to such series of Bonds so designated.

SECTION 11. Secretary to Present Resolution to State Authority. The Secretary to the Board of Trustees is hereby directed to present a certified copy of this Resolution, together with the Exhibits and any certification required by Section 8 to this Resolution, to the State Authority as evidence of the Board of Trustees’ formal request for the issuance of the Bonds on behalf of the University, and as evidence that all conditions precedent to the issuance of such Bonds have been met prior to the issuance of the Bonds. The date of application for purposes of the Enabling Act shall be such date as this Resolution and any certificate required by Section 8 hereof is submitted to the State Authority.

SECTION 12. Execution of Closing Documents and Certificates. The Chairman of and the Secretary to the Board of Trustees, and all other officers of the University, are fully authorized and empowered to take such further action and to execute and deliver such closing documents as may be necessary and proper in order to complete the borrowing herein authorized and the action of such officers or any one or more of them in executing and delivering any of such documents in such form as he or they shall approve, is hereby fully authorized. In particular, such officers of the University are authorized to abide by covenants made by or on behalf of the State Authority in connection herewith relating to Sections 9 and 10 hereof or relating to Rule 15c2-12 of the United States Securities and Exchange Commission or relating to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended.

SECTION 13. Reimbursement Declaration. The University hereby declares its intention to reimburse itself for a portion of the costs of the Project with the proceeds of the Bonds or the Notes, as the case may be, requested to be issued herein. To that end, the Board of Trustees determines and declares as follows:

(a) no funds from any sources other than the Bonds or the Notes, as the case may be, are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside by the University pursuant to the budget or financial policies of the University for the financing of the portion of the costs of renovating, improving, furnishing, and refurbishing of the Project to be funded with the Bonds or the Notes, as the case may be;

(b) the University reasonably expects that all or a portion of the expenditures incurred for the Project and the issuance of the Bonds or the Notes, as the case may be, will be paid prior to the issuance of the Bonds or the Notes, as the case may be;

(c) the University intends and reasonably expects to reimburse itself for all such expenditures paid by it with respect to the Project prior to the issuance of the Bonds or the Notes, as the case may be, from the proceeds of the Bonds or the Notes, as the case may be, and such intention is consistent with the budgetary and financial circumstances of the University;

(d) all of the costs to be paid or reimbursed from the proceeds of the Bonds or the Notes, as the case may be, will be for costs incurred in connection with the issuance of the Bonds or the Notes, as the

case may be, or will, at the time of payment thereof, be properly chargeable to the capital account of the Project (or would be so chargeable with a proper election) under general federal income tax principles; and

(e) this Resolution shall constitute a declaration of official intent under United States Department of the Treasury Regulation Section 1.150-2.

SECTION 14. Law and Place of Enforcement of this Resolution. This Resolution shall be construed and interpreted in accordance with the laws of the State. All suits and actions arising out of this Resolution shall be instituted in a court of competent jurisdiction in the State.

SECTION 15. Effect of Section Headings. The heading or titles of the several Sections hereof are solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Resolution.

SECTION 16. Repeal of Inconsistent Resolutions. All resolutions of the Board of Trustees, and any part of any resolution, inconsistent with this Resolution are hereby repealed to the extent of such inconsistency.

SECTION 17. Effectiveness of this Resolution. This Resolution shall become effective upon its adoption.

DONE IN MEETING DULY ASSEMBLED this 16th day of December 2025.

UNIVERSITY OF SOUTH CAROLINA

(SEAL)



Chairman, Board of Trustees

Attest:



Secretary, Board of Trustees

EXHIBIT A

THE UNIVERSITY OF SOUTH CAROLINA
SCHEDULE OF TUITION FEES PER SEMESTER IN EFFECT FOR PURPOSES OF
TITLE 59, CHAPTER 107 OF THE CODE OF LAWS OF
SOUTH CAROLINA 1976, AS AMENDED

I. Columbia		III. Aiken	
A. Undergraduate		A. Resident	\$ 166.00
1. Resident	\$ 319.50	B. Non-Resident	166.00
2. Non-Resident	815.50		
3. Wellness	105.00	IV. Beaufort	
4. Student Health	190.00	A. Resident	\$ 89.00
B. Graduate		B. Non-Resident	89.00
1. Resident	\$ 319.50		
2. Non-Resident	351.50	V. Upstate	
3. Wellness	105.00	A. Resident	\$ 295.00
4. Student Health	190.00	B. Non-Resident	295.00
C. Law			
1. Resident	\$ 319.50	VI. Palmetto College Campuses	
2. Non-Resident	734.50	A. Columbia	
3. Wellness	105.00	1. Resident	\$ 258.00
4. Student Health	190.00	2. Non-Resident	290.00
D. Medicine		B. Aiken	
1. Resident	\$ 1,090.00	1. Resident and Non-Resident	\$ 228.00
2. Non-Resident	2,090.00	C. Beaufort	
3. Wellness	105.00	1. Resident and Non-Resident	\$ 63.00
4. Student Health	190.00	D. Upstate	
		1. Resident and Non-Resident	\$ 165.00
II. Greenville			
A. Medicine			
1. Resident	\$ 0.00		
2. Non-Resident	0.00		
3. Wellness	105.00		
4. Student Health	190.00		

For the fiscal year ended June 30, 2025, the amount of receipts designated as tuition for state institution bonds purposes was not less than the sum of \$37,453,769. The tuition and fees generated for the 2025 summer term are not included.

The maximum principal and interest debt service payment prior to the issuance contemplated herein is \$12,530,822 which occurs in the fiscal year ending June 30, 2026.

The maximum principal and interest debt service payment after the issuance contemplated herein is anticipated to be \$14,346,180*, which is anticipated to occur in the fiscal year ending June 30, 2027.

* Preliminary, subject to change.

EXHIBIT B

THE UNIVERSITY OF SOUTH CAROLINA
 PRO-FORMA DEBT SERVICE REQUIREMENTS OF
 NOT EXCEEDING \$58,000,000 STATE OF SOUTH CAROLINA
 GENERAL OBLIGATION STATE INSTITUTION BONDS,
 AT PREVAILING RATES OF INTEREST

Fiscal Year Ending	New Issue Debt Service*		Total Debt Service
	Principal	Interest	
June 30, 2026	\$ 665,000	\$ 572,982	\$ 1,237,982
June 30, 2027	2,305,000	1,947,153	4,252,153
June 30, 2028	2,365,000	1,888,836	4,253,836
June 30, 2029	2,420,000	1,829,002	4,249,002
June 30, 2030	2,485,000	1,767,776	4,252,776
June 30, 2031	2,545,000	1,705,402	4,250,402
June 30, 2032	2,610,000	1,639,741	4,249,741
June 30, 2033	2,680,000	1,570,576	4,250,576
June 30, 2034	2,755,000	1,498,216	4,253,216
June 30, 2035	2,830,000	1,421,903	4,251,903
June 30, 2036	2,910,000	1,340,399	4,250,399
June 30, 2037	3,000,000	1,249,025	4,249,025
June 30, 2038	3,105,000	1,147,925	4,252,925
June 30, 2039	3,215,000	1,038,318	4,253,318
June 30, 2040	3,330,000	919,685	4,249,685
June 30, 2041	3,460,000	791,813	4,251,813
June 30, 2042	3,600,000	653,759	4,253,759
June 30, 2043	3,745,000	505,799	4,250,799
June 30, 2044	3,905,000	347,760	4,252,760
June 30, 2045	4,070,000	178,673	4,248,673
Total	<u>\$ 58,000,000</u>	<u>\$ 24,014,737</u>	<u>\$ 82,014,737</u>

* Preliminary, subject to change.

DEBT SERVICE REQUIREMENTS
ON ALL STATE INSTITUTION BONDS
ISSUED BY THE STATE OF SOUTH CAROLINA
ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA

Fiscal Year Ending	Existing Debt Service		Total Debt Service
	Principal	Interest	
June 30, 2026	\$ 10,915,000	\$ 1,615,822	\$ 12,530,822
June 30, 2027	7,400,000	2,693,944	10,093,944
June 30, 2028	7,760,000	2,332,344	10,092,344
June 30, 2029	8,125,000	1,961,844	10,086,844
June 30, 2030	7,895,000	1,639,294	9,534,294
June 30, 2031	8,205,000	1,328,431	9,533,431
June 30, 2032	6,945,000	1,054,981	7,999,981
June 30, 2033	7,160,000	838,631	7,998,631
June 30, 2034	7,395,000	609,456	8,004,456
June 30, 2035	6,535,000	372,731	6,907,731
June 30, 2036	2,660,000	161,850	2,821,850
June 30, 2037	2,735,000	82,050	2,817,050
Total	<u>\$ 83,730,000</u>	<u>\$ 14,691,378</u>	<u>\$ 98,421,378</u>

SCHEDULE SHOWING PRO-FORMA
TOTAL PRINCIPAL AND INTEREST REQUIREMENTS OF
ALL GENERAL OBLIGATION STATE INSTITUTION BONDS
ISSUED BY THE STATE OF SOUTH CAROLINA ON BEHALF OF
THE UNIVERSITY OF SOUTH CAROLINA INCLUDING THE PROPOSED ISSUE OF
\$58,000,000 OF GENERAL OBLIGATION STATE INSTITUTION BONDS
AT PREVAILING RATES OF INTEREST

<u>Fiscal Year Ending</u>	<u>Combined Debt Service*</u>		<u>Total Debt Service</u>
	<u>Principal</u>	<u>Interest</u>	
June 30, 2026	\$ 11,580,000	\$ 2,188,804	\$ 13,768,804
June 30, 2027	9,705,000	4,641,096	14,346,096
June 30, 2028	10,125,000	4,221,180	14,346,180
June 30, 2029	10,545,000	3,790,845	14,335,845
June 30, 2030	10,380,000	3,407,069	13,787,069
June 30, 2031	10,750,000	3,033,833	13,783,833
June 30, 2032	9,555,000	2,694,722	12,249,722
June 30, 2033	9,840,000	2,409,207	12,249,207
June 30, 2034	10,150,000	2,107,672	12,257,672
June 30, 2035	9,365,000	1,794,634	11,159,634
June 30, 2036	5,570,000	1,502,249	7,072,249
June 30, 2037	5,735,000	1,331,075	7,066,075
June 30, 2038	3,105,000	1,147,925	4,252,925
June 30, 2039	3,215,000	1,038,318	4,253,318
June 30, 2040	3,330,000	919,685	4,249,685
June 30, 2041	3,460,000	791,813	4,251,813
June 30, 2042	3,600,000	653,759	4,253,759
June 30, 2043	3,745,000	505,799	4,250,799
June 30, 2044	3,905,000	347,760	4,252,760
June 30, 2045	4,070,000	178,673	4,248,673
Total	<u>\$ 141,730,000</u>	<u>\$ 38,706,115</u>	<u>\$ 180,436,115</u>

* Preliminary, subject to change.

THE UNIVERSITY OF SOUTH CAROLINA
PROOF SHOWING COMPLIANCE WITH
TITLE 59, CHAPTER 107 OF THE CODE OF
LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Aggregate of tuition fees received by the University during preceding fiscal year ended June 30, 2025	\$ 37,499,379
Multiplied by	90%
Produces	\$ 33,749,441
Maximum annual debt service on all State Institution Bonds of the University (including the proposed issue of not exceeding \$58,000,000 of General Obligation State Institution Bonds issued on behalf of the University)	\$ 14,346,180*
Margin	\$ 19,403,261

* Preliminary, subject to change.

A RESOLUTION

TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING FIFTY-EIGHT MILLION DOLLARS (\$58,000,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION STATE INSTITUTION BONDS (ISSUED ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA), OF THE STATE OF SOUTH CAROLINA; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO.

BOND RESOLUTION

Adopted March 31, 2026

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A RESOLUTION

TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING FIFTY-EIGHT MILLION DOLLARS (\$58,000,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION STATE INSTITUTION BONDS (ISSUED ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA), OF THE STATE OF SOUTH CAROLINA; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO.

ARTICLE I FINDINGS OF FACT

As an incident to the adoption of this resolution (this “Resolution”) and the issuance of the bonds provided for herein, the South Carolina State Fiscal Accountability Authority (the “Authority”) finds that the facts set forth in this Article exist, and that the statements made with respect thereto are true and correct. Capitalized terms used and not otherwise defined herein have the meanings given to such terms in Article II of this Resolution.

Section 1.01 General Findings of Authorization.

(a) The Authority is authorized by Title 59, Chapter 107 of the Code of Laws of South Carolina 1976, as amended (the “Enabling Act”) to make provision for the issuance of General Obligation State Institution Bonds (“State Institution Bonds”) on behalf of state institutions (the “Institutions”) of the State of South Carolina (the “State”), including the University of South Carolina (the “University”), the proceeds of which may be used for any one or more of the following purposes:

- (1) to construct, reconstruct, maintain, improve, furnish and refurbish the buildings and other permanent improvements for the Institutions,
- (2) to defray the costs of acquiring or improving land needed as sites for such improvements or for the campus of any of the Institutions,
- (3) to reimburse the Institutions for expenses incurred in anticipation of the issuance of State Institution Bonds, or
- (4) to refund State Institution Bonds heretofore issued for the Institutions and which shall on such occasion be outstanding.

Pursuant to the provisions of a resolution adopted by the Board of Trustees of the University (the “Board of Trustees”) on December 16, 2025 (the “Board Resolution”), the Board of Trustees has requested the Authority to authorize the Governor and the State Treasurer (each as defined herein) to issue General Obligation State Institution Bonds pursuant to the Enabling Act in the aggregate principal amount of not exceeding \$58,000,000 to provide funds (i) to comprehensively renovate, improve, and furnish the McKissick Building, including associated infrastructure and site work (the “Project”), and (ii) to pay for expenses related to the issuance of such State Institution Bonds. Moreover, the Board Resolution constituted the application to the Authority required by Section 59-107-40 of the Enabling Act and the provisions thereof contained all information necessary for the Authority to approve the application and authorize the issuance of such State Institution Bonds.

(c) The Authority has reviewed the Board Resolution and has determined to cause the issuance of not exceeding Fifty-Eight Million Dollars (\$58,000,000) aggregate principal amount General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), of the State of South Carolina

(the “Bonds”), or one or more BANs (as defined herein) in anticipation thereof, for the purposes described in paragraph (b) above.

Section 1.02 Findings Required by the Enabling Act.

The Authority makes the following findings pursuant to Section 59-107-50 of the Enabling Act in connection with the application of the University for issuance of General Obligation State Institution Bonds in the amount of not exceeding \$58,000,000, which sum will be used to pay all or a portion of the costs of the Project and to pay the costs of issuance of the Bonds.

- (a) That a definite and immediate need for the Project exists;
- (b) There are presently outstanding \$83,730,000 aggregate principal amount State Institution Bonds secured by the Tuition Fees (as hereinafter defined) of the University as set forth in Exhibit A attached hereto;
- (c) A satisfactory and proper schedule of Tuition Fees as set forth in Exhibit B attached hereto is in effect at the University;
- (d) A pro forma debt service table setting forth annual principal and interest requirements of the Bonds based on prevailing rates of interest per annum is set forth on Exhibit C attached hereto. Exhibit D attached hereto sets forth the aggregate debt service requirements of the outstanding State Institution Bonds issued on behalf of the University and the Bonds at prevailing rates of interest. Exhibit E attached hereto shows the sums received by the University as Tuition Fees for the Fiscal Year (as hereinafter defined) ended June 30, 2025, and establishes that, based on prevailing rates of interest per annum on the Bonds, the maximum annual debt service on the outstanding State Institution Bonds issued on behalf of the University and the Bonds will not be greater than 90% of the Tuition Fees received by the University for the Fiscal Year ended June 30, 2025;
- (e) The University has agreed that the schedule of the Tuition Fees for the University shall be revised from time to time and whenever necessary to provide not less than the sum needed to pay the annual principal and interest requirements on the Bonds and on all outstanding State Institution Bonds issued on behalf of the University; and
- (f) The Authority has made the findings required of it by Section 59-107-50 of the Enabling Act, and has accepted the Board Resolution as the application required by Section 59-107-40 of the Enabling Act.

Section 1.03 Determination of Compliance with Debt Limitation.

Section 59-107-90 of the Enabling Act and Section 11-27-30(4) of the South Carolina Code, each provide that the debt limitation applicable to State Institution Bonds is that sum resulting from the provisions of subparagraph (b) of paragraph 6 of Section 13 of Article X of the South Carolina Constitution, which provides that the maximum annual debt service on State Institution Bonds issued for an Institution may not be greater than 90% of the sum of the Tuition Fees received by such Institution for the preceding Fiscal Year. The table set forth in Exhibit E attached hereto demonstrates that the maximum annual debt service on all State Institution Bonds issued on behalf of the University following the issuance of the Bonds will not exceed the proviso contained in the preceding sentence with respect to outstanding State Institution Bonds and the Bonds with interest calculated thereon at prevailing rates of interest. Further, the Authority finds that the total aggregate principal amount of State Institution Bonds issued on behalf of the University to be outstanding, following the issuance of the Bonds at prevailing rates of interest authorized by the

provisions of this Resolution, will not exceed \$141,730,000.*

Section 1.04 Determination of Amount of Bonds Herein Authorized.

The Authority finds that it is necessary to issue the Bonds in the aggregate principal amount of not exceeding \$58,000,000 or one or more BANs in anticipation thereof, in order to provide funds which will be used to pay all or a portion of the costs of the Project, to pay the principal of and interest on the BANs, if any, and to pay the costs of issuance of such BANs or the Bonds.

[End of Article I]

* Preliminary, subject to change.

ARTICLE II
DEFINITIONS AND CONSTRUCTION

Section 2.01 Definitions.

As used in this Resolution unless the context otherwise requires, the following terms shall have the following respective meanings:

“Authority” means the South Carolina State Fiscal Accountability Authority.

“Authorized Investments” means and includes any securities that are at the time legal for investment of the State’s funds.

“Authorized Officer” means the Governor, the Secretary of State and the State Treasurer, a deputy or Assistant State Treasurer, and any other officer or employee of the State designated from time to time by the State Treasurer as an Authorized Officer, and when used with reference to any act or document also means any other person authorized by resolution of the Authority to perform such act or sign such document.

“BAN” or “BANs” means any of the bond anticipation notes issued hereunder and pursuant to the BAN Act.

“BAN Act” means Title 11, Chapter 17 of the Code of Laws of South Carolina 1976, as amended.

“Bond” or “Bonds” means any of the General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), authorized by this Resolution, and also means, if the context so requires, any BAN or BANs issued in anticipation of the issuance of such Bonds.

“Bondholder” or “Holder” or “Holders of Bonds” or “Owner” or similar term means, when used with respect to a Bond or Bonds or BANs, any person who shall be registered as the owner of any Bond or BAN Outstanding.

“Bond Payment Date” means each date determined by the State Treasurer on which interest on any of the Bonds shall be payable or on which both the Principal Installment and interest shall be payable on any of the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended.

“Continuing Disclosure Undertaking” means that undertaking which is to be executed by the State Treasurer in form substantially similar to that appearing as Exhibit H hereto, and delivered at or prior to the closing of the Bonds as required by United States Securities and Exchange Commission Rule 15c2-12, as amended, and as such undertaking may be from time to time amended in accordance with the terms thereof.

“Corporate Trust Office”, when used with respect to any Paying Agent, Registrar, or Escrow Agent means the office at which its principal corporate trust business shall be administered.

“Dated Date” means such date as the State Treasurer shall determine to be the date of issue of the Bonds or BANs.

“Enabling Act” means Title 59, Chapter 107 of the Code of Laws of South Carolina 1976, as amended.

“Escrow Agent” means the Paying Agent or such entity or entities, as the case may be, designated by the State Treasurer to serve as escrow agent or escrow agents pursuant to one or more escrow deposit agreements.

“Fiduciary” means the Paying Agent, the Registrar, and any Escrow Agent and their successors and assigns.

“Fiscal Year” means the period of 12 calendar months, beginning July 1 of each year and ending on June 30 of the next year.

“Government Obligations” means and includes direct general obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which is fully and unconditionally guaranteed by the United States of America.

“Governor” means the Governor of the State.

“Outstanding” means, when used in this Resolution with respect to Bonds or BANs, as of any date, all Bonds or BANs theretofore authenticated and delivered pursuant to this Resolution except Bonds or BANs (or portions thereof):

- (1) cancelled or delivered to the Registrar for cancellation on or before such date;
- (2) deemed to have been paid in accordance with the provisions of Section 7.01 hereof; and
- (3) in lieu of or in exchange for which another Bond or BAN shall have been authenticated and delivered pursuant to Article III of this Resolution.

“Paying Agent” means any bank, trust company, or national banking association which is authorized to pay the principal or Redemption Price of, or interest on any Bonds or BANs, and having the duties, responsibilities and rights provided for in this Resolution, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Resolution. The institution named as Paying Agent may also act as Registrar.

“Person” means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

“Principal Installment” means, as of any date of calculation, the principal amount of all Bonds due on a specified date.

“Private Business Use” means “private business use” as that term is defined in Section 141 of the Code, any successor provision and any regulations promulgated thereunder.

“Record Date” means the 15th day immediately preceding each Bond Payment Date.

“Redemption Price” when used with respect to a Bond or portion thereof to be redeemed, means the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to this Resolution.

“Registrar” means any bank, trust company, or national banking association which is authorized to maintain an accurate list of those who from time to time shall be the Holders of the Bonds or BANs and shall effect the exchange and transfer of the Bonds or BANs in accordance with the provisions of this Resolution and having the duties, responsibilities, and rights provided for in this Resolution and its

successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Resolution. The institution named as Registrar may also act as Paying Agent.

“Resolution” means this Resolution as the same may be amended or supplemented from time to time in accordance with the terms hereof.

“Secretary of State” means the Secretary of State of the State of South Carolina.

“Series” or “Series of Bonds” means a series of Bonds issued pursuant to the authorizations of the Enabling Act and this Resolution.

“South Carolina Code” means the Code of Laws of South Carolina 1976, as amended.

“State” means the State of South Carolina.

“State Request” means a written request of the State signed by an Authorized Officer.

“State Treasurer” means the Treasurer of the State of South Carolina.

“Taxable Series” means a Series of Bonds so designated by the State Treasurer, the interest upon which is not excludable from income for federal income tax purposes.

“Tuition Fees” means those fees charged by the University for tuition, matriculation and registration. The term does not include sums charged for enrolling in courses or classes offered for any summer school term or any special seminar, nor shall the term relate to or include fees levied or charged for purposes other than for the purposes of the Enabling Act.

Section 2.02 Construction.

In this Resolution, unless the context otherwise requires:

(a) Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Resolution.

(b) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms refer to this Resolution, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of adoption of this Resolution.

(c) Words of the masculine gender shall mean and include correlative words of the female and neuter genders, and words importing the singular number shall mean and include the plural number and *vice versa*.

(d) Any Fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Resolution, even though such Authorized Investment is evidenced only by a book entry or similar record of investment.

[End of Article II]

ARTICLE III
ISSUANCE OF BONDS

Section 3.01 Request to Governor and State Treasurer.

The Governor and the State Treasurer are hereby requested to effect the issuance of not to exceed \$58,000,000 principal amount of General Obligation State Institution Bonds in accordance with the provisions of this Resolution.

Section 3.02 Ordering the Issuance of Bonds; Principal Amount.

Pursuant to the provisions of the Enabling Act, and for the purpose of obtaining funds to pay all or a portion of the costs of the Project and to pay certain costs of issuance of the Bonds described in Section 1.02 hereof, there shall be issued not exceeding Fifty-Eight Million Dollars (\$58,000,000) aggregate principal amount of general obligation bonds of the State, designated "General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), Series 2026." Notwithstanding the foregoing, however, the State Treasurer may, in his discretion, modify the Series designation of the Bonds herein authorized as appropriate and, in such event, all references to the Bonds herein shall be deemed to reference such modified Series designation. The Bonds may be issued as a single Series or in two or more separate Series or may be issued in combination with other issues of State general obligation bonds, as determined by the State Treasurer. The final principal amount of the Bonds shall be determined by the State Treasurer.

Section 3.03 Maturity Schedule of Bonds.

The Bonds shall mature in each of the Fiscal Years and in the Principal Installments determined by the State Treasurer, provided that the aggregate principal amount of Bonds issued hereunder does not exceed \$58,000,000. The Bonds shall bear interest at rates determined in the manner prescribed by Section 3.16 hereof. The State Treasurer is hereby authorized to adjust the maturity schedule as to the principal amount maturing in a particular year and as to the dates on which the principal is to be repaid in order to: (i) limit net Bond proceeds; (ii) maintain compliance with constitutional and statutory debt limitations; (iii) maintain level annual debt service within each Fiscal Year; and (iv) achieve a more favorable interest rate at the sale of the Bonds.

Section 3.04 Provision for Payment of Interest on the Bonds.

The Bonds shall be authenticated on such dates as they shall, in each case, be delivered. The Bonds shall bear interest from the Bond Payment Date to which interest has been paid next preceding the authentication date thereof, unless the authentication date thereof is a Bond Payment Date, in which case, from such authentication date, or if authenticated prior to the first Bond Payment Date for the Bonds, then from the Dated Date. The interest to be paid on any Bond Payment Date shall be paid to the Person in whose name such Bond is registered at the close of business on the Record Date next preceding such Bond Payment Date.

Section 3.05 Medium of Payment; Form and Denomination of Bonds; Place of Payment of Principal.

(a) The Bonds shall be payable as to Principal Installment, Redemption Price and interest at the rates per annum determined in the manner prescribed by Section 3.16 hereof (on the basis of a 360-day year of twelve 30-day months) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) The Bonds shall be issued in the form of fully registered Bonds. The Bonds shall be issued in the denomination of \$1,000 or any whole multiple thereof, not exceeding the principal amount of the

Bonds maturing in such year. The Bonds shall be numbered from R-1 upwards in such fashion as to maintain a proper record thereof.

(c) The Principal Installment or Redemption Price of all Bonds shall be payable at the Corporate Trust Office of the Paying Agent and payment of the interest on each Bond shall be made by the Paying Agent to the Person appearing on each Record Date on the registration books of the State, which books shall be held by the Registrar as provided in Section 3.09 hereof, as the registered Owner thereof, by check or draft mailed to such registered Owner at his address as it appears on such registration books in sufficient time to reach such registered Owner on the Bond Payment Date. Payment of the Principal Installment or Redemption Price of all Bonds shall be made upon the presentation and surrender for cancellation of such Bonds as the same shall become due and payable.

Section 3.06 Agreement to Maintain Registrar and Paying Agent.

As long as any of the Bonds remain Outstanding, there shall be a Registrar and a Paying Agent, each of which shall be a financial institution maintaining Corporate Trust Offices where (i) the Bonds may be presented for registration of transfers and exchanges, (ii) notices and demands to or upon the State in respect of the Bonds may be served, and (iii) the Bonds may be presented for payment, exchange and transfer. The State Treasurer is hereby authorized to determine the institution which shall initially exercise the functions of Registrar and Paying Agent. In the event that Bonds are issued in two or more Series, references in this Resolution to the Registrar and Paying Agent shall mean the Registrar and Paying Agent for a given Series.

Section 3.07 Execution and Authentication.

(a) The Bonds shall be executed in the name and on behalf of the State by the manual or facsimile signatures of the Governor and of the State Treasurer, attested by the manual or facsimile signature of the Secretary of State with the Great Seal of the State (or a facsimile thereof) impressed, imprinted or otherwise reproduced thereon. Bonds bearing the manual or facsimile signature of any Person who shall have held such office at the time such Bonds were so executed shall bind the State notwithstanding the fact that he may have ceased to be such officer prior to the authentication and delivery of such Bonds or was not such officer at the date of the authentication and delivery of the Bonds.

(b) No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication in the form set forth in the form of the Bond attached to this Resolution as Exhibit F, duly executed by the manual signature of the Registrar and such certificate of authentication upon any Bond executed on behalf of the State shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefit of the terms and provisions of this Resolution.

Section 3.08 Exchange of Bonds.

Bonds, upon surrender thereof at the Corporate Trust Office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered Holder or his duly authorized attorney, may, at the option of the registered Holder thereof, be exchanged for an equal aggregate principal amount of Bonds in authorized denominations of the same interest rate and maturity. So long as any of the Bonds remain Outstanding, the State shall make all necessary provisions to permit the exchange of the Bonds at the Corporate Trust Office of the Registrar.

Section 3.09 Transferability and Registry.

All Bonds shall at all times, when the same are Outstanding, be payable, both as to Principal Installment, Redemption Price and interest to a Person, and shall be transferable, only in accordance with

the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds remain Outstanding, the State shall maintain and keep, at the Corporate Trust Office of the Registrar, books for the registration and transfer of Bonds, and, upon presentation thereof for such purpose at the Corporate Trust Office of the Registrar, the State shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Registrar may prescribe, any Bond, except that under no circumstances shall any Bond be registered or transferred to bearer. So long as any of the Bonds remain Outstanding, the State shall make all necessary provisions to permit the transfer of the Bonds at the Corporate Trust Office of the Registrar.

Section 3.10 Transfer of Bonds.

Each Bond shall be transferable only upon the books of the State, which shall be kept for such purpose at the Corporate Trust Office of the Registrar, upon presentation and surrender thereof by the Holder of such Bond or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney. Upon surrender for transfer of any such Bond, the State shall execute and the Registrar shall authenticate and deliver, in the name of the Person who is the transferee, one or more new Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond. All action taken by the Registrar pursuant to this section shall be deemed to be the action of the State.

Section 3.11 Regulations with Respect to Exchanges and Transfers.

All Bonds surrendered in any exchanges or transfers shall forthwith be cancelled by the Registrar. For each such exchange or transfer of the Bonds, the State or the Registrar may make a charge sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the Holder requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The State shall not be obligated (i) to issue, exchange or transfer any Bond during the 15 days next preceding any Bond Payment Date, (ii) to issue, exchange or transfer any Bonds during a period beginning at the opening of business 15 days next preceding any selection of Bonds to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption, or (iii) to transfer or exchange any Bonds called or being called for redemption in whole or in part.

Section 3.12 Mutilated, Destroyed, Lost and Stolen Bonds.

(a) If any mutilated Bond is surrendered to the Registrar and the Registrar and the State receive evidence to their satisfaction of the destruction, loss or theft of any Bond, and there is delivered to the Registrar or the State such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice that such Bond has been acquired by a bona fide purchaser, the State shall execute and, upon State Request, the Registrar shall authenticate and deliver, in exchange for any such mutilated Bond or in lieu of any such destroyed, lost or stolen Bond, a new Bond of like tenor, and principal amount and redemption provisions, bearing a number unlike that of a Bond contemporaneously Outstanding. The Registrar shall thereupon cancel any such mutilated Bond so surrendered. In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the State in its discretion may, instead of issuing a new Bond, pay such Bond.

(b) Upon the issuance of any new Bond under this Section 3.12, the State may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the State or the Registrar connected therewith.

(c) Each new Bond issued pursuant to this Section in lieu of any destroyed, lost, or stolen Bond shall constitute an additional contractual obligation of the State, whether or not the destroyed, lost or stolen

Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued pursuant to this Resolution. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

Section 3.13 Holder as Owner of Bond.

The State, the Registrar and any Paying Agent may treat the Holder of any Bond as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment, Redemption Price and interest on such Bond and for all other purposes, and payment of the Principal Installment, Redemption Price and interest shall be made only to, or upon the order of, such Holder. All payments to such Holder shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the State nor any Paying Agent shall be affected by any notice to the contrary.

Section 3.14 Cancellation of Bonds.

The Registrar shall destroy all Bonds surrendered to it for cancellation and shall deliver a certificate to that effect to the State. No such Bonds shall be deemed Outstanding under this Resolution and no Bonds shall be issued in lieu thereof.

Section 3.15 Payments Due on Saturdays, Sundays and Holidays.

In any case where the Bond Payment Date or redemption date shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of the interest on or Principal Installment or Redemption Price of the Bonds need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date and no interest shall accrue for the period after such date.

Section 3.16 Conditions Relating to Naming of Interest Rates.

The Bonds shall bear such rate or rates of interest as shall at the sale of such Bonds reflect the lowest interest cost to the State at a price of not less than par, but:

- (1) all Bonds of the same maturity shall bear the same rate of interest;
- (2) no rate of interest named shall be more than six (6.00) percentage points;
- (3) a zero (0.0) percentage point rate of interest is not permitted;
- (4) each interest rate named shall be a multiple of 1/8th or 1/20th of one (1) percentage point; and
- (5) any premium offered must be paid in cash as a part of the purchase price;

provided, however, that the State Treasurer may determine, in his discretion and upon advice received, to waive, modify, amend, or vary the conditions described above (whether prior to the offer for sale of the Bonds, or subsequent to such offer but prior to the award of the Bonds), in order to (i) limit net Bond proceeds, (ii) maintain compliance with constitutional and statutory debt limitations, (iii) maintain level annual debt service

within each Fiscal Year, (iv) achieve a more favorable interest rate at the sale of the Bonds and (v) establish a maximum interest rate or maximum interest rates as necessary to maintain compliance with the provisions of the Enabling Act. In addition to the foregoing, the State Treasurer may establish additional terms and conditions for the sale of the Bonds, not inconsistent herewith, prior to the publication of the Notice of Sale (as defined herein).

Section 3.17 Tax Exemption in South Carolina.

Both the Principal Installments and interest on the Bonds shall be exempt from all State, county, municipal, school district, and all other taxes or assessments imposed by the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes.

Section 3.18 Pledge of Full Faith, Credit and Taxing Power.

For the payment of the Principal Installment and interest on the Bonds as the same respectively mature, the full faith, credit and taxing power of the State are hereby irrevocably pledged and in addition thereto, but subject to the provisions of the Enabling Act, all Tuition Fees received by the University are also pledged. In accordance with the provisions of Section 11-29-30 of the South Carolina Code, and in order to provide for the punctual payment of the Principal Installments and interest on the Bonds herein authorized, the State Treasurer is directed to set aside from the Tuition Fees received in each Fiscal Year in which the interest on and Principal Installment of the Bonds are due or will become due so much of the revenues derived from such Tuition Fees as may be necessary in order to pay the interest on and the Principal Installment of all Bonds falling due in such Fiscal Year and the State Treasurer shall thereafter apply such moneys to the punctual payment of such principal and interest as the same respectively fall due. In the event that the revenues derived from the Tuition Fees so pledged prove insufficient to meet the payments of the interest on and the Principal Installment of such Bonds in such Fiscal Year, then the State Treasurer is authorized and directed to set aside from the general tax revenues of the State received in such Fiscal Year so much of such general tax revenues as become needed for such purpose and to apply the same to the punctual payment of the interest on and the Principal Installment of such Bonds due or to become due in such Fiscal Year.

In accordance with the provisions of Article X, Section 13, Paragraph 4 of the South Carolina Constitution if any time any payment of Principal Installment of or interest on the Bonds shall not be paid as and when the same become due and payable, the State Comptroller General shall forthwith levy and the State Treasurer shall collect an *ad valorem* tax without limit as to rate or amount upon all taxable property within the State sufficient to meet the payment of the Principal Installments and interest on the Bonds then due.

Section 3.19 Tuition Fee Deposits.

As provided in Section 59-107-180 of the Enabling Act, the State Treasurer shall establish a special fund into which all Tuition Fees shall be deposited and applied to the payment of principal, interest and premium, if any, on the Bonds. The State Treasurer further shall establish for the Bonds a “special debt service and reserve fund” within this special fund as prescribed by Section 59-107-180 of the Enabling Act. Such special fund and the “special debt service and reserve fund” therein shall be maintained at all times as provided in said Section 59-107-180 of the Enabling Act.

Section 3.20 Bonds Issued in Book-Entry Only Form.

(a) Unless otherwise determined by the State Treasurer, the Bonds will initially be issued under a book-entry only system in fully registered form, registered in the name of Cede & Co. as the registered owner and securities depository nominee of The Depository Trust Company, New York, New

York (“DTC”), which will act as initial securities depository for the Bonds. So long as the Bonds are being held under a book-entry system of a securities depository, transfers of beneficial ownership of the Bonds will be effected pursuant to rules and procedures established by such securities depository. DTC and any successor securities depositories are hereinafter referred to as the “Securities Depository.” Cede & Co. and successor securities depository nominees are hereinafter referred to as the “Securities Depository Nominee.”

(b) So long as a book-entry system is in effect for the Bonds, the Securities Depository Nominee will be recognized as the Holder of the Bonds for the purposes of (i) paying the Principal Installment or Redemption Price of and interest on such Bonds, (ii) if Bonds are to be redeemed in part, selecting the portions of such Bonds to be redeemed, (iii) giving any notice permitted or required to be given to Bondholders under this Resolution, (iv) registering the transfer of Bonds, and (v) requesting any consent or other action to be taken by the Holders of such Bonds, and for all other purposes whatsoever, and the State shall not be affected by any notice to the contrary.

(c) The State shall not have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in any Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as Holder of such Bonds.

(d) The State shall pay the Principal Installment, Redemption Price and interest on Bonds issued under a book-entry system only to the Securities Depository or the Securities Depository Nominee, as the case may be, for such Bonds, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the Principal Installment and interest on such Bonds.

(e) In the event that the State determines that it is in the interest of the State to discontinue the book-entry system of transfer for the Bonds, or that the interests of the beneficial owners of the Bonds may be adversely affected if the book-entry system is continued, then the State shall notify the Securities Depository of such determination. In such event, the Registrar and Paying Agent shall authenticate, register and deliver physical certificates for the Bonds in exchange for the Bonds registered in the name of the Securities Depository Nominee.

(f) In the event that the Securities Depository for the Bonds discontinues providing its services, the State shall either engage the services of another Securities Depository or arrange with a Registrar and Paying Agent for the delivery of physical certificates in the manner described in subsection (e) above.

(g) In connection with any notice or other communication to be provided to the Holders of Bonds by the State or by the Registrar and Paying Agent with respect to any consent or other action to be taken by the Holders of Bonds, the State or the Registrar and Paying Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than 15 days in advance of such record date to the extent possible.

(h) At the closing of the Bonds and the delivery of the same to the purchaser thereof through the facilities of DTC, the Paying Agent and Registrar may maintain custody of Bond certificates on behalf of DTC in accordance with DTC’s “FAST” closing procedures.

(i) For as long as the Bonds are being held under a book-entry system of a securities depository, the State shall remit to the Paying Agent and Registrar by 1:00 p.m. New York time on each Bond Payment Date funds for all principal and interest payments due thereupon, or at such earlier time as required by the Paying Agent and Registrar to guarantee that DTC or successor Securities Depository will receive payment in same-day funds by 2:30 p.m. New York time on such Bond Payment Date. In addition, automated payment details receipt shall be provided by the Paying Agent by 12:00 noon New York time of

each Bond Payment Date for interest payments and by 2:30 p.m. New York time for redemption and corporate action payments.

Section 3.21 Form of Bonds.

The form of the Bonds and registration provisions to be endorsed thereon shall be substantially as set forth in Exhibit F attached hereto and made a part of this Resolution.

Section 3.22 Borrowing in Anticipation of Issuance of Bonds.

Pursuant to the BAN Act, there may be issued from time to time at the discretion of the Governor and the State Treasurer BANs in aggregate principal amount not exceeding \$58,000,000 in anticipation of the issuance of Bonds. If BANs are issued and if, upon the maturity thereof the Governor and the State Treasurer should determine that it would be in the best interest of the State to renew or refund the BANs, they are authorized to renew or refund the BANs from time to time until the Governor and the State Treasurer determine to issue the Bonds on the basis as aforesaid, and the Bonds are issued.

(a) The BANs shall be dated and bear interest from the Dated Date thereof, payable upon the stated maturity thereof and shall mature on such dates as determined by the State Treasurer, provided that no BAN shall mature on a date which is later than one year following the issuance thereof. Interest on the BANs shall be calculated on the basis of a 360-day year of twelve 30-day months. The BANs shall be payable, both as to principal and interest, in legal tender upon maturity, at the principal office of the Paying Agent. The BANs may be issued in denominations of \$1,000 and integral multiples thereof. The BANs shall be executed in the name and on behalf of the State by the manual or facsimile signature of the Governor and the State Treasurer with the Great Seal of the State (or a facsimile thereof) impressed, imprinted or otherwise reproduced thereon and attested by the Secretary of State. BANs bearing the manual or facsimile signature of any Person who shall have been such an Authorized Officer at the time such BANs were so executed shall bind the State notwithstanding the fact that he may have ceased to be such Authorized Officer prior to the authentication and delivery of such BANs or was not such Authorized Officer at the date of the authentication and delivery of the BANs.

(b) The State Treasurer shall serve, or shall appoint a financial institution maintaining corporate trust offices to serve, as Registrar and Paying Agent for the BANs.

(c) The Authority hereby authorizes the State Treasurer to cause to be prepared and to “deem final” within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission a preliminary official statement relating to the BANs and to cause to be prepared and to approve a final official statement following the sale of the BANs. The Authority hereby authorizes the use of said preliminary official statement and final official statement and the information contained therein in connection with the public offering and sale of the BANs. If the BANs are offered and sold to a financial institution to be held for its own account, the State Treasurer will not be required to (i) prepare a preliminary official statement or final official statement if such purchaser executes and delivers an investment letter in form and content acceptable to the State Treasurer, or (ii) undertake any obligation to deliver a Continuing Disclosure Undertaking.

(d) The BANs may be sold at public or private sale. Bids therefor shall be received until such time and date to be selected by the State Treasurer. Notice of sale of the BANs shall be given in a manner determined by the State Treasurer. Upon receipt of bids for the BANs, the Governor and the State Treasurer shall, and they are hereby authorized to, award the BANs to the bidder offering the lowest interest cost therefor, the method of calculation of which shall be set forth in the notice of sale and determined at the State Treasurer’s discretion, without further action on the part of the Authority if the Governor and the State Treasurer shall determine that it is in the interest of the State to make such award.

(e) The BANs shall be issued in such form and with such terms and conditions, not inconsistent with this Resolution, as shall be determined by the State Treasurer. No BAN shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such BAN a certificate of authentication duly executed by the manual signature of the Registrar and such certificate of authentication upon any BAN executed on behalf of the State shall be conclusive evidence that the BAN so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefit of the terms and provisions of the Resolution.

(f) The BANs shall be issued in fully registered form either (i) under a book-entry only system, registered in the name of Cede & Co. as the registered owner and securities depository nominee of DTC, or (ii) in physical form registered the name of the Holder, as specified by the Governor and the State Treasurer, who may permit the purchaser to make such determination. Conditions as to ownership, exchange, transfer, replacement and payment of BANs shall be as provided for Bonds herein, except as expressly provided in this Resolution to the contrary. The BANs may, at the discretion of the State Treasurer, be subject to redemption prior to their stated maturity, on such terms and conditions as the State Treasurer may prescribe, except that the maximum premium to be paid for prior redemption shall not exceed one half of one per centum (1/2%).

(g) For the payment of the principal of and interest on the BANs as the same shall fall due, the full faith, credit, and taxing power of the State shall be pledged. In addition thereto, so much of the principal proceeds of the Bonds when issued shall and is hereby directed to be applied, to the extent necessary, to the payment of the BANs; and, further, the State covenants and irrevocably pledges to effect the issuance of the Bonds or, in the alternative, to refund or renew Outstanding BANs in order that the proceeds thereof will be sufficient to provide for the retirement of any BANs issued pursuant hereto.

(h) Proceeds from the sale of the BANs shall be applied in the manner as provided by Section 6.01 herein for Bonds.

(i) Both the principal of and interest on the BANs shall be exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except estate or other transfer taxes, and certain fees or franchise taxes.

(j) The form of the BAN shall be approved by the State Treasurer.

(k) Without limiting the generality or specifics of any other provision in this Resolution, the term "Bonds" as used in Articles VII, VIII, IX and X shall include BANs.

[End of Article III]

ARTICLE IV
REDEMPTION OR PURCHASE OF BONDS

Section 4.01 Authorization of Redemption.

The Bonds may be subject to redemption, in whole or in part, at any time in any order of maturity to be determined by the State Treasurer, upon such dates and at such Redemption Prices as shall be determined by the State Treasurer.

Section 4.02 State's Election to Redeem.

In the event that the State shall elect to redeem Bonds, it shall give notice by State Request to the Registrar and Paying Agent of each optional redemption, which notice may be conditional in the discretion of the State Treasurer. Each State Request shall specify the date fixed for redemption and the Bonds which are to be redeemed. Such notice shall be given at least 60 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

Section 4.03 Notice of Redemption.

(a) When any Bonds are to be redeemed, the Registrar shall give notice of the redemption of the Bonds in the name of the State specifying: (i) the Bonds, the particular Series thereof, and maturities to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Bonds Outstanding are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; (vi) whether the redemption of the Bonds is conditioned upon any event; and (vii) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue; provided, however, that in the event of any conditional provision in the notice, the Bonds will not become due and payable as provided in this section unless such condition has been satisfied as of the redemption date. The Registrar shall mail by registered mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the registered Holders of all the Bonds or portions of the Bonds which are to be redeemed at their addresses which appear upon the registration books, but failure to so mail any such notice to any of such Holders shall not affect the validity of the proceedings for the redemption of the Bonds held by Holders to whom written notice has been mailed. The obligation of the Registrar to give the notice required by this Section shall not be conditioned upon the prior payment to the Paying Agent of money or the delivery to the Paying Agent of Authorized Investments or Government Obligations sufficient to pay the Redemption Price of the Bonds to which such notice relates or the interest thereon to the redemption date.

(b) Notice of redemption having been given as provided in subsection (a) hereof, the Bonds or portions thereof so to be redeemed shall, on the date fixed for redemption, become due and payable at the Redemption Price specified therein plus accrued interest to the redemption date, and upon presentation and surrender thereof at the place specified in such notice, such Bonds or portions thereof shall be paid at the Redemption Price, plus accrued interest to the redemption date; provided, however, that in the event of any conditional provision in the notice, the Bonds will not become due and payable as provided in this section until such condition has been satisfied as of the redemption date. On and after the redemption date (unless the State shall default in the payment of the Redemption Price and accrued interest, or any conditional provision in the notice shall not have been satisfied as of the redemption date), such Bonds shall cease to bear interest, and such Bonds shall no longer be considered as Outstanding hereunder. If money sufficient to pay the Redemption Price and accrued interest has not been made available by the State to the Paying Agent on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne, had they not been called for redemption, until the same shall have been paid.

Section 4.04 Selection by Registrar of Bonds to be Redeemed.

(a) If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of the Bonds to be redeemed shall be selected, not less than 45 days prior to the date fixed for redemption, by the Registrar by lot or in such other manner as the Registrar may deem to be appropriate, provided, however, that for so long as the Bonds are held in book-entry only form, the selection of Bonds to be redeemed hereunder shall be in accordance with the rules of the Securities Depository.

(b) In making such selection, the Registrar shall treat each Bond to be redeemed as representing that number of Bonds of the lowest authorized denomination as is obtained by dividing the principal amount of such Bond by such denomination. If any Bond is to be redeemed in part, the portion to be so redeemed shall be in a principal amount of an authorized denomination.

(c) The Registrar shall promptly notify the State in writing of the Bonds so selected for redemption.

Section 4.05 Deposit of Redemption Price.

On or before any date fixed for redemption of any Bonds, cash and/or a principal amount of non-callable Government Obligations maturing or redeemable at the option of the Holder thereof not later than the date fixed for redemption which, together with income to be earned on such Government Obligations prior to such date fixed for redemption, will be sufficient to provide cash to pay the Redemption Price of and accrued interest on all Bonds or portions thereof which are to be redeemed on such date, shall be deposited with the Paying Agent unless such amount shall have been previously deposited with the Paying Agent. Provided, however, that in the event of a conditional redemption such condition is not met, this Section 4.05 is inapplicable.

Section 4.06 Partial Redemption of Bonds.

In the event part but not all of a Bond Outstanding shall be selected for redemption, upon presentation and surrender of such Bond by the Holder thereof or his attorney duly authorized in writing (with, if the State or the Registrar so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the State and the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) to the Registrar, the State shall execute and the Registrar shall authenticate and deliver to or upon the order of such Holder, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of any authorized denomination of like tenor. Bonds so presented and surrendered shall be cancelled in accordance with Section 3.14 hereof.

Section 4.07 Purchases of Bonds Outstanding.

Purchases of Bonds Outstanding may also be made by the State at any time with money available to it from any source. Upon any such purchase the State shall deliver such Bonds to the Registrar for cancellation.

[End of Article IV]

ARTICLE V
SALE OF BONDS

Section 5.01 Determination of Time to Receive Bids; Form of Notice of Sale.

(a) The Bonds shall be sold at public sale on such terms as may be prescribed by the State Treasurer. Bids shall be received until such time and date to be selected by the State Treasurer. The form of the notice of sale shall be substantially similar to that set forth in Exhibit G attached hereto (the “Notice of Sale”) and made a part hereof. The Notice of Sale, or, at the election of the State Treasurer, a summary thereof, shall be published in a financial paper published in the City of New York, New York, which regularly publishes notices of sale of state or municipal bonds, which Notice of Sale shall each appear at least once and not less than seven days before the date set for said sale. The Notice of Sale may be combined with a notice of sale for other general obligation bonds of the State being offered for sale at the same time, if any.

(b) The Bonds authorized hereby, if so determined by the State Treasurer, may be issued in the form of a single instrument, subject to the following terms and conditions: (i) the Dated Date of the Bond shall be the date determined by the State Treasurer, and the Bond shall bear interest from such date; (ii) the references to “Bonds” throughout the Resolution shall be understood to refer to the single instrument authorized by this Section 5.01(b); (iii) the State Treasurer may require that the Bond bear a single, fixed rate of interest; (iv) the form of the Bonds as set forth in Exhibit F hereto and the Notice of Sale as set forth in Exhibit G hereto shall be appropriately modified; (v) the State Treasurer may determine that the State will not undertake any obligation to deliver a Continuing Disclosure Undertaking as provided in Exhibit H hereto; (vi) the State Treasurer may determine that the Bond shall not be issued in book-entry-only form, and, in lieu thereof, shall be registered directly in the name of the Holder as directed by the purchaser thereof; and (vii) the State Treasurer may determine that an official statement shall not be prepared in connection with the sale of the Bond.

Section 5.02 Award of Bonds.

Upon receipt of bids for the Bonds, the Governor and the State Treasurer shall, and they are hereby authorized to, award the Bonds to the bidder offering the lowest interest cost therefor, the method of calculation of which shall be set forth in the Notice of Sale and determined at the State Treasurer’s discretion, without further action on the part of the Authority if the Governor and the State Treasurer shall determine that it is in the interest of the State to make such award. The State shall have the right to reject all proposals and to re-advertise the Bonds for sale. Any proposal not conforming to the Notice of Sale may be rejected, but the State shall have the right to waive technicalities.

Section 5.03 Official Statement.

The Authority hereby authorizes the State Treasurer to prepare or cause to be prepared and to “deem final,” within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission, a preliminary official statement relating to the Bonds and to prepare or cause to be prepared and to approve a final official statement following the sale of the Bonds. The Authority hereby authorizes the use of said preliminary official statement and final official statement and the information contained therein in connection with the public offering and sale of the Bonds.

Section 5.04 Combined Sales.

If the State Treasurer deems it prudent, the Bonds may be sold in combination with other series of general obligation bonds of the State, the issuance of which shall have been properly authorized and the form and details for which may be provided for in the same preliminary official statement and same final official statement as that for the Bonds.

[End of Article V]

ARTICLE VI
DISPOSITION OF PROCEEDS OF SALE OF BONDS

Section 6.01 Disposition of Bond Proceeds Including Temporary Investments.

- (a) The proceeds derived from the sale of the Bonds shall be applied and disposed of as follows:
 - (1) accrued interest, if any, shall be applied to the payment of the first installment of interest to become due on the Bonds;
 - (2) the premium, if any, shall be applied as determined by the State Treasurer;
 - (3) the remaining proceeds of the Bonds shall be segregated by the State Treasurer for the account of the University and shall be applied to pay all or a portion of the costs of the Project or to repay the BANs, as applicable; and
 - (4) any remaining proceeds may be used for the payment of the costs of issuing the Bonds.

- (b) Pending the use of Bond proceeds as provided in Sections 6.01(a) of this Section, the same shall be invested and reinvested by the State Treasurer in Authorized Investments. The investment earnings therefrom may be used either for any lawful purpose of the State, including for the purposes described in Section 6.01(a) above, or, if so required by the Code, to make any necessary rebate to the United States Government.

- (c) Neither the purchaser of the Bonds nor any registered Holder of the Bonds shall be liable for the proper application of the proceeds of the Bonds or the BANs.

[End of Article VI]

ARTICLE VII
DEFEASANCE OF BONDS

Section 7.01 Discharge of Resolution; Where and How Bonds Are Deemed to Have Been Paid and Defeased.

If all of the Bonds issued pursuant to this Resolution, and all interest thereon shall have been paid and discharged, then the obligations of the State under this Resolution and all other rights granted herein shall cease and determine. The Bonds shall be deemed to have been paid and discharged within the meaning of this Article under each of the following circumstances, viz.:

(a) The Paying Agent or an Escrow Agent shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the Principal Installment and interest thereof; or

(b) The Paying Agent or Escrow Agent shall hold in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with said Escrow Agent at the same time, shall be sufficient to pay when due the principal of and interest on the Bonds; or

(c) If default in the payment of the principal of the Bonds or the interest thereon shall have occurred on any Bond Payment Date, and thereafter tender of such payment shall have been made, and at such time as the Paying Agent or Escrow Agent shall hold in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(d) Subject to the provisions of Section 59-107-200 of the Enabling Act, if applicable, if the State shall elect to provide for the payment of the Bonds prior to their stated maturities and shall have deposited with the Escrow Agent in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with said Escrow Agent at the same time, shall be sufficient to pay when due the Principal Installment or Redemption Price to become due on their maturity dates or redemption dates, as the case may be, on the Bonds on and prior to their maturity dates or redemption dates, and interest due on the Bonds on or prior to their maturity or redemption dates, as the case may be. In the event that the State shall elect to redeem Bonds prior to their stated maturities, the State shall proceed in the manner prescribed by Article IV hereof, subject to the provisions of Section 3.20 in the event that at the time of such election the Bonds Outstanding are issued in book-entry only form.

Neither the Government Obligations nor moneys deposited with the Paying Agent or Escrow Agent pursuant to this Section nor the principal or interest payments thereon shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal Installment or Redemption Price, and interest on said Bonds; provided, however, that any cash received from such principal or interest payments on Government Obligations deposited with the Paying Agent or Escrow Agent, if not then needed for such purpose, shall, to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal Installment or Redemption Price, and interest to become due on said Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the Principal Installment or Redemption Price, and interest may be paid over to the State, as received by the Paying Agent or Escrow Agent, free and clear of any trust, lien or pledge.

Section 7.02 Notice of Defeasance.

Upon the defeasance of the Bonds, all notices required by the South Carolina Code and the Continuing Disclosure Undertaking shall be given.

[End of Article VII]

ARTICLE VIII
CONCERNING THE FIDUCIARIES

Section 8.01 Fiduciaries; Appointment and Acceptance of Duties.

Each Fiduciary shall accept the duties and trusts imposed upon it by this Resolution and shall agree in writing to perform such trusts but only upon the terms and conditions set forth in this Article VIII. Similarly, each financial institution appointed as a successor Registrar, a successor Paying Agent or successor Escrow Agent shall signify its acceptance of the duties and trusts imposed by this Resolution by a written acceptance.

Section 8.02 Responsibilities of Fiduciaries.

The recitals of fact herein and in the Bonds contained shall be taken as the statements of the State and no Fiduciary assumes any responsibility for the correctness of the same except in respect of the authentication certificate of the Registrar endorsed on the Bonds. No Fiduciary makes any representations as to the validity or sufficiency of this Resolution or of any Bonds or as to the security afforded by this Resolution, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

Section 8.03 Evidence on Which Fiduciaries May Act.

(a) Each Fiduciary, upon receipt of any notice, resolution, request, consent order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the State, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Resolution upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in this Resolution any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the State to any Fiduciary shall be sufficiently executed if executed in the name of the State by an Authorized Officer.

Section 8.04 Compensation.

The State shall pay to each Fiduciary from time to time reasonable compensation based on the then standard fee schedule of the Fiduciary for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution; provided, however, that any specific agreement between the State and a Fiduciary with respect to the compensation of such Fiduciary shall control the compensation to be paid to such Fiduciary.

Section 8.05 Certain Permitted Acts.

Any Fiduciary may become the Owner or underwriter of any Bonds, notes or other obligations of the State or conduct any banking activities with respect to the State, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for, and permit any of its officers or directors to effect or aid in, any reorganization growing out of the enforcement of the Bonds or this Resolution.

Section 8.06 Resignation of Any Fiduciary.

Any Fiduciary may at any time resign and be discharged of the duties and obligations created by this Resolution by giving not less than 60 days written notice to the State and not less than 30 days written notice to the Holders of the Bonds as established by the books of registration prior to the next succeeding Bond Payment Date and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the State pursuant to Section 8.08 hereof, in which event such resignation shall take effect immediately on the appointment of such successor. In no event, however, shall such a resignation take effect until a successor has been appointed.

Section 8.07 Removal of Fiduciary.

Any Fiduciary may be removed at any time by an instrument or concurrent instruments in writing, filed with the State and such Fiduciary and, as the case may be, signed by an Authorized Officer or the Bondholders representing a majority in principal amount of the Bonds then Outstanding or their attorneys in fact duly authorized, excluding any Bonds held by or for the account of the State.

Section 8.08 Appointment of Successor Fiduciaries.

(a) In case any Fiduciary hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the State Treasurer. Every such Fiduciary appointed pursuant to the provisions of this Section shall be a trust company or bank organized under the laws of the United States of America or any state thereof and which is in good standing, within or outside the State, having a stockholders' equity of not less than \$75,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable and customary terms.

(b) If in a proper case, no appointment of a successor Fiduciary shall be made by the State Treasurer pursuant to the foregoing provisions of this Section within 45 days after any Fiduciary shall have given to the State Treasurer written notice as provided in Section 8.06 hereof or after a vacancy in the office of such Fiduciary shall have occurred by reason of its removal or inability to act, the former Fiduciary or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor.

Section 8.09 Transfer of Rights and Property to Successor.

Any successor Fiduciary appointed under this Resolution shall execute, acknowledge and deliver to its predecessor, and also to the State, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiduciary, with like effect as if originally named in such capacity; but the Fiduciary ceasing to act shall nevertheless, upon State Request, or of the successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Fiduciary in and to any property held by it under this Resolution, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the State be required by such successor Fiduciary for more fully and certainly vesting in and confirming to such successor any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the State. Any such successor Fiduciary shall promptly notify the other Fiduciaries, if any, and any depository of its appointment as Fiduciary.

Section 8.10 Merger or Consolidation.

Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it may be party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act; provided, however, such company shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by this Resolution; and further provided, however, that such company otherwise meets the qualifications for successor Fiduciaries set forth in Section 8.08 herein.

Section 8.11 Adoption of Authentication.

In case any of the Bonds contemplated to be issued under this Resolution shall have been authenticated but not delivered, any successor Registrar may adopt the certificate of authentication of any predecessor Registrar so authenticating such Bonds and deliver such Bonds so authenticated. In case any such Bonds shall not have been authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in the name of the successor Registrar, and in all such cases such certificate shall be of full force and effect.

[End of Article VIII]

ARTICLE IX
FEDERAL TAX CONSIDERATIONS

Section 9.01 Compliance with the Code.

The State will comply with all requirements of the Code in order to preserve the tax-exempt status of interest on the Bonds, including without limitation, (i) the requirement to file Form 8038-G, *Information Return for Tax-Exempt Government Obligations*, with the Internal Revenue Service, and (ii) the requirement to rebate certain arbitrage earnings to the United States Government pursuant to Section 148(f) of the Code. In this connection, the State covenants to execute any and all agreements, certificates and other documentation as it may be advised by bond counsel will enable it to comply with this Article IX, and such agreements, certificates and other documentation may be executed by an Authorized Officer.

Section 9.02 Tax Representations and Covenants.

The State hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the Holders thereof for federal income tax purposes pursuant to the provisions of the Code and the United States Treasury Regulations (the "Regulations"). Without limiting the generality of the foregoing, the State represents and covenants that:

(a) All property financed or refinanced with the proceeds of the Bonds will be owned by the State or a political subdivision thereof so long as the Bonds are Outstanding in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The State shall not use, and will not permit any party to use, the proceeds of the Bonds in any manner that would result in (i) five percent (5%) or more of such proceeds being considered as having been used in a Private Business Use; or (ii) an amount greater than the lesser of five percent (5%) of such proceeds or \$5,000,000 being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(c) The State is not a party to, and will not enter into or permit any other party to enter into, any contract with any person involving the management of any facility financed or refinanced with the proceeds of the Bonds or by notes paid by the Bonds that does not conform to the guidelines set forth in Revenue Procedure 2017-13, or a successor revenue procedure, Code provision or Regulations.

(d) The State will not sell, or permit any other party to sell, any property financed or refinanced with the Bonds to any person unless it obtains an opinion of nationally recognized bond counsel that such sale will not affect the tax-exempt status of the Bonds.

(e) The Bonds will not be "federally guaranteed" within the meaning of Section 149(b) of the Code. The State shall not enter into, or permit any other party to enter into, any leases or sales or service contract with any federal government agency with respect to any facility financed or refinanced with the proceeds of the Bonds and will not enter into any such leases or contracts unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax-exempt status of the Bonds.

Section 9.03 Arbitrage Bonds.

The State hereby covenants and agrees with the Holders of the Bonds that no use of the proceeds of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds, would have caused the Bonds to be “arbitrage bonds,” as defined in the Code, and to that end the State hereby shall:

(a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any Regulations so long as the Bonds are Outstanding;

(b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code and Regulations relating to required rebate of certain amounts to the United States Government;

(c) make such reports of such information at the time and places required by the Code and Regulations; and

(d) take such other action as may be required to assure that the tax-exempt status of the Bonds will not be impaired.

Section 9.04 Taxable Series and Taxable BANS; Inapplicability of this Article.

The State Treasurer is hereby authorized to designate a Series of Bonds as a Taxable Series. The provisions of the preceding Sections of this Article IX shall not apply to Bonds of a Taxable Series.

[End of Article IX]

ARTICLE X
MISCELLANEOUS

Section 10.01 Failure to Present Bonds.

Any money held by the Paying Agent in trust for the payment and discharge of any of the Bonds, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, that the Holder thereof shall no longer be able to enforce the payment thereof, the Paying Agent shall at the written request of the State pay such money to the State as its absolute property and free from trust, and the Paying Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the State for the payment of such Bonds; provided, however, the Paying Agent shall forward to the State all moneys which remain unclaimed during a period five (5) years from a Bond Payment Date; and further provided, however, that before being required to make any such payment to the State, the Paying Agent, at the expense of the State, may conduct such investigations as may in the opinion of the Paying Agent be necessary to locate the Holders of those who are entitled to take such funds.

Section 10.02 Severability of Invalid Provisions.

If any one or more of the covenants or agreements provided in this Resolution should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Resolution.

Section 10.03 Resolution to Constitute Contract.

In consideration of the purchase and acceptance of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Resolution, with the exception of the findings of fact in Article I hereof, shall be deemed to be and shall constitute a contract between the State and the Holders from time to time of the Bonds, and such provisions are covenants and agreements with such Holders which the State hereby determined to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants, and agreements herein set forth to be performed on behalf of the State shall be for the equal benefit, protection, and security of the Holders of any and all of the Bonds, all of which shall be of equal rank without preference, priority or distinction of any Bonds over any other Bonds.

Section 10.04 Execution of Closing Documents and Certificates.

The Governor, the State Treasurer, the Secretary of State and any other officers or employees of the State are fully authorized and empowered to take such further action and to execute and deliver such closing documents and certificates as may be necessary and proper in order to complete the issuance of the Bonds herein authorized and the action of such officers or any one or more of them in executing and delivering any of such documents, in such form as he or they shall approve, is hereby fully authorized.

Section 10.05 Filing of Copies of Resolution.

Copies of this Resolution shall be filed in the offices of the Authority, the office of the Secretary of State (as a part of the Transcript of Proceedings filed for each Series of Bonds), and with the offices of each Paying Agent and Registrar for each Series of Bonds.

Section 10.06 Benefits of Resolution Limited to the State and Holders of the Bonds.

With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Bonds is intended or should be construed to confer upon or give to any Person other than the State and the Holders of the Bonds, any legal or equitable right, remedy or claim under or by reason of or in respect to this Resolution or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Resolution and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the State and the Holders from time to time of the Bonds as herein and therein provided.

Section 10.07 No Personal Liability.

No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the State contained in this Resolution or the Bonds, against any member of the Authority, any officer or employee, as such, in his or her individual capacity, past, present or future, of the State, either directly or through the State, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that this Resolution and the Bonds are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer or employee as such, past, present or future, of the State, either directly or by reason of any of the obligations, covenants, promises or agreements entered into between the State and Bondholders or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer and employee is, by the adoption of this Resolution and the execution of the Bonds, and as a condition of, and as a part of the consideration for, the adoption of this Resolution and the execution of the Bonds, expressly waived and released. The immunity of members of the Authority, officers and employees of the State under the provisions contained in this Section shall survive the termination of this Resolution.

Section 10.08 Continuing Disclosure.

(a) In accordance with Section 11-1-85 of the South Carolina Code, the Authority hereby covenants to file with a central repository for availability in the secondary bond market when requested: (i) an annual independent audit, within thirty days of the State's receipt of the audit; and (ii) event specific information, within thirty days of an event adversely affecting more than five percent of the State's revenue or tax base. The only remedy for failure by the State to comply with the covenant in this Section 10.08 shall be an action for specific performance of this covenant. The Authority specifically reserves the right to amend this covenant to reflect any change in said Section 11-1-85 without the consent of any Bondholder.

(b) In addition, the State hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Failure of the State to comply with the Continuing Disclosure Undertaking shall not be considered an event of default hereunder; provided, however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the State to comply with its obligations under this Section 10.08(b). The Continuing Disclosure Undertaking shall be executed by the State Treasurer prior to the delivery of the Bonds and shall be substantially in such form as is set forth in Exhibit H hereto, together with such modifications and amendments thereto as shall be deemed necessary by the State Treasurer upon advice of counsel. Additionally, the form of the Continuing Disclosure Undertaking shall be amended and modified as necessary to comply with any rules or regulations promulgated by the United

States Securities and Exchange Commission. The execution of the Continuing Disclosure Undertaking shall constitute conclusive evidence of the approval by the State Treasurer of any and all modifications and amendments thereto.

Section 10.09 Law and Place of Enforcement of the Resolution.

This Resolution shall be construed and interpreted in accordance with the laws of the State and all suits and actions arising out of this Resolution shall be instituted in a court of competent jurisdiction in the State.

Section 10.10 Effect of Article and Section Headings and Table of Contents.

The heading or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Resolution.

Section 10.11 Repeal of Inconsistent Resolutions.

All resolutions of the Authority, and any part of any resolution, inconsistent with this Resolution are hereby repealed to the extent of such inconsistency.

Section 10.12 Effectiveness of this Resolution; Lapse of Authorization.

This Resolution shall become effective upon its adoption. The Bonds and any initial series of BANs issued in anticipation of the issuance of Bonds authorized hereby shall be issued within three years of the adoption of this Resolution; provided that this time limitation shall not apply to Bonds and BANs issued to refinance BANs authorized hereby. Section 11-17-120 of the South Carolina Code shall control regarding the timeliness of the issuance of Bonds to pay BANs.

[End of Article X]

EXHIBIT A

DEBT SERVICE REQUIREMENTS
ON ALL STATE INSTITUTION BONDS
ISSUED BY THE STATE OF SOUTH CAROLINA
ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA

Fiscal Year Ending	Existing Debt Service		Total Debt Service
	Principal	Interest	
June 30, 2026	\$ 10,915,000	\$ 1,615,822	\$ 12,530,822
June 30, 2027	7,400,000	2,693,944	10,093,944
June 30, 2028	7,760,000	2,332,344	10,092,344
June 30, 2029	8,125,000	1,961,844	10,086,844
June 30, 2030	7,895,000	1,639,294	9,534,294
June 30, 2031	8,205,000	1,328,431	9,533,431
June 30, 2032	6,945,000	1,054,981	7,999,981
June 30, 2033	7,160,000	838,631	7,998,631
June 30, 2034	7,395,000	609,456	8,004,456
June 30, 2035	6,535,000	372,731	6,907,731
June 30, 2036	2,660,000	161,850	2,821,850
June 30, 2037	2,735,000	82,050	2,817,050
Total	<u>\$ 83,730,000</u>	<u>\$ 14,691,378</u>	<u>\$ 98,421,378</u>

EXHIBIT B

THE UNIVERSITY OF SOUTH CAROLINA
SCHEDULE OF TUITION FEES PER SEMESTER IN EFFECT FOR PURPOSES OF
TITLE 59, CHAPTER 107 OF THE CODE OF LAWS OF
SOUTH CAROLINA 1976, AS AMENDED

I. Columbia		III. Aiken	
A. Undergraduate		A. Resident	\$ 166.00
1. Resident	\$ 319.50	B. Non-Resident	166.00
2. Non-Resident	815.50		
3. Wellness	105.00	IV. Beaufort	
4. Student Health	190.00	A. Resident	\$ 89.00
B. Graduate		B. Non-Resident	89.00
1. Resident	\$ 319.50		
2. Non-Resident	351.50	V. Upstate	
3. Wellness	105.00	A. Resident	\$ 295.00
4. Student Health	190.00	B. Non-Resident	295.00
C. Law			
1. Resident	\$ 319.50	VI. Palmetto College Campuses	
2. Non-Resident	734.50	A. Columbia	
3. Wellness	105.00	1. Resident	\$ 258.00
4. Student Health	190.00	2. Non-Resident	290.00
D. Medicine		B. Aiken	
1. Resident	\$ 1,090.00	1. Resident and Non-Resident	\$ 228.00
2. Non-Resident	2,090.00	C. Beaufort	
3. Wellness	105.00	1. Resident and Non-Resident	\$ 63.00
4. Student Health	190.00	D. Upstate	
		1. Resident and Non-Resident	\$ 165.00
II. Greenville			
A. Medicine			
1. Resident	\$ 0.00		
2. Non-Resident	0.00		
3. Wellness	105.00		
4. Student Health	190.00		

For the fiscal year ended June 30, 2025, the amount of receipts designated as tuition for state institution bonds purposes was not less than the sum of \$37,453,769. The tuition and fees generated for the 2025 summer term are not included.

The maximum principal and interest debt service payment prior to the issuance contemplated herein is \$12,530,822 which occurs in the fiscal year ending June 30, 2026.

The maximum principal and interest debt service payment after the issuance contemplated herein is anticipated to be \$14,346,180*, which is anticipated to occur in the fiscal year ending June 30, 2028.

* Preliminary, subject to change.

EXHIBIT C

THE UNIVERSITY OF SOUTH CAROLINA
 PRO-FORMA DEBT SERVICE REQUIREMENTS OF
 NOT EXCEEDING \$58,000,000 STATE OF SOUTH CAROLINA
 GENERAL OBLIGATION STATE INSTITUTION BONDS,
 AT PREVAILING RATES OF INTEREST

Fiscal Year Ending	New Issue Debt Service*		Total Debt Service
	Principal	Interest	
June 30, 2026	\$ 665,000	\$ 572,982	\$ 1,237,982
June 30, 2027	2,305,000	1,947,153	4,252,153
June 30, 2028	2,365,000	1,888,836	4,253,836
June 30, 2029	2,420,000	1,829,002	4,249,002
June 30, 2030	2,485,000	1,767,776	4,252,776
June 30, 2031	2,545,000	1,705,402	4,250,402
June 30, 2032	2,610,000	1,639,741	4,249,741
June 30, 2033	2,680,000	1,570,576	4,250,576
June 30, 2034	2,755,000	1,498,216	4,253,216
June 30, 2035	2,830,000	1,421,903	4,251,903
June 30, 2036	2,910,000	1,340,399	4,250,399
June 30, 2037	3,000,000	1,249,025	4,249,025
June 30, 2038	3,105,000	1,147,925	4,252,925
June 30, 2039	3,215,000	1,038,318	4,253,318
June 30, 2040	3,330,000	919,685	4,249,685
June 30, 2041	3,460,000	791,813	4,251,813
June 30, 2042	3,600,000	653,759	4,253,759
June 30, 2043	3,745,000	505,799	4,250,799
June 30, 2044	3,905,000	347,760	4,252,760
June 30, 2045	4,070,000	178,673	4,248,673
Total	<u>\$ 58,000,000</u>	<u>\$ 24,014,737</u>	<u>\$ 82,014,737</u>

* Preliminary, subject to change.

SCHEDULE SHOWING PRO-FORMA
TOTAL PRINCIPAL AND INTEREST REQUIREMENTS OF
ALL GENERAL OBLIGATION STATE INSTITUTION BONDS
ISSUED BY THE STATE OF SOUTH CAROLINA
ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA
INCLUDING THE PROPOSED ISSUE OF
FIFTY-EIGHT MILLION DOLLARS (\$58,000,000)
OF GENERAL OBLIGATION STATE INSTITUTION BONDS,
AT PREVAILING RATES OF INTEREST

Fiscal Year Ending	Combined Debt Service*		Total Debt Service
	Principal	Interest	
June 30, 2026	\$ 11,580,000	\$ 2,188,804	\$ 13,768,804
June 30, 2027	9,705,000	4,641,096	14,346,096
June 30, 2028	10,125,000	4,221,180	14,346,180
June 30, 2029	10,545,000	3,790,845	14,335,845
June 30, 2030	10,380,000	3,407,069	13,787,069
June 30, 2031	10,750,000	3,033,833	13,783,833
June 30, 2032	9,555,000	2,694,722	12,249,722
June 30, 2033	9,840,000	2,409,207	12,249,207
June 30, 2034	10,150,000	2,107,672	12,257,672
June 30, 2035	9,365,000	1,794,634	11,159,634
June 30, 2036	5,570,000	1,502,249	7,072,249
June 30, 2037	5,735,000	1,331,075	7,066,075
June 30, 2038	3,105,000	1,147,925	4,252,925
June 30, 2039	3,215,000	1,038,318	4,253,318
June 30, 2040	3,330,000	919,685	4,249,685
June 30, 2041	3,460,000	791,813	4,251,813
June 30, 2042	3,600,000	653,759	4,253,759
June 30, 2043	3,745,000	505,799	4,250,799
June 30, 2044	3,905,000	347,760	4,252,760
June 30, 2045	4,070,000	178,673	4,248,673
Total	<u>\$ 141,730,000</u>	<u>\$ 38,706,115</u>	<u>\$ 180,436,115</u>

* Preliminary, subject to change.

EXHIBIT E

THE UNIVERSITY OF SOUTH CAROLINA
PROOF SHOWING COMPLIANCE WITH
TITLE 59, CHAPTER 107 OF THE CODE OF
LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Aggregate of tuition fees received by the University during preceding fiscal year ended June 30, 2025	\$ 37,453,769
Multiplied by	90%
Produces	\$ 33,708,392
Maximum annual debt service on all State Institution Bonds of the University (including the proposed issue of not exceeding \$58,000,000 of General Obligation State Institution Bonds issued on behalf of the University)	\$ 14,346,180*
Margin	<u>\$19,362,212</u>

* Preliminary, subject to change.

(FORM OF BOND)
(FACE OF BOND)

UNITED STATES OF AMERICA
GENERAL OBLIGATION STATE INSTITUTION BOND
(ISSUED ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA), SERIES 20__
OF THE STATE OF SOUTH CAROLINA

No. R-1

<u>Rate of Interest</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
	___ 1, 20__	___ 1, 20__	

Registered Holder: CEDE & CO.

Principal Amount: _____ DOLLARS (\$ _____)

THE STATE OF SOUTH CAROLINA (the "State") acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Holder named above, or registered assigns, the Principal Amount stated above, on the Maturity Date set forth above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Bond at the Corporate Trust Office of _____, in the City of _____, State of _____ (the "Paying Agent"), and to pay interest on such Principal Amount at the Rate of Interest set forth above (calculated on the basis of a 360-day year consisting of twelve 30-day months), until the obligation of the State with respect to the payment of such Principal Amount shall be discharged.

So long as Cede & Co., as nominee of The Depository Trust Company ("DTC"), is the Registered Owner of the Bonds, references in this Bond to the Bondholders or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners.

The State, the Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purpose of the payment of the principal of or interest or premium, if any, on the Bonds, giving any notice permitted or required to be given to Bondholders under the Resolution, hereinafter defined, registering the transfer of Bonds, obtaining any consent or action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The State, the Registrar and the Paying Agent shall not have any responsibility or obligation to any direct participant, any person claiming a beneficial ownership in the Bonds under or through DTC or any Direct Participant or any other person which is not shown on the Registration Books of the State (kept by the Registrar) as being a Bondholder with respect to: the accuracy of any records maintained by DTC or any Direct Participant; the payment by DTC or any Direct Participant of any amount in respect of the principal of or interest or premium, if any, on the Bonds; any notice which is permitted or required to be given to Bondholders thereunder or under the conditions for transfers or exchanges adopted by the State; or any consent given or other action taken by DTC as a Bondholder.

Interest on the Bonds is payable on ___ 1 and ___ 1 of each year (the "Bond Payment Dates") beginning ___ 1, 20__. The interest payable on any Bond Payment Date for any Bond shall be paid to the

person in whose name the Bond is registered at the close of business on the 15th day next preceding such Bond Payment Date.

Each Bond shall bear interest from _____, 20__, if no interest has yet been paid; otherwise from the last Bond Payment Date to which interest has been paid and which Bond Payment Date is on or prior to the authentication date thereof.

Interest hereon will be payable by check or draft mailed at the times provided herein from the office of the Paying Agent to the person in whose name this Bond is registered at the address shown on the registration books. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of an issue of Bonds in the aggregate principal amount of _____ million dollars (\$____,000) of like tenor, except as to registered owner, numbering, rate of interest, redemption provisions, and date of maturity, issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina, including, particularly the provisions of Chapter 107, Title 59 of the Code of Laws of South Carolina 1976, as amended, as supplemented by Sections 11-27-30 and 11-29-30 of the Code of Laws of South Carolina 1976, as amended, and a resolution (the "Resolution") duly adopted by the South Carolina State Fiscal Accountability Authority on _____, 20__.

[Insert Redemption Provisions]

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Resolution. Certified copies of the Resolution are on file in the office of the Registrar, in the office of the Paying Agent and in the office of the Secretary of State of South Carolina.

For the payment of the principal of and interest on this Bond as the same respectively matures, the full faith, credit and taxing power of the State are hereby irrevocably pledged and in addition thereto, but subject to the provisions of the Enabling Act, all Tuition Fees received by the University are also pledged.

This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes.

This Bond is issuable only as a fully registered Bond without coupons in denominations of \$1,000 and any whole multiple of \$1,000. This Bond is transferable, as provided in the Resolution, only upon the registration books kept for that purpose at the Corporate Trust Office of the Registrar by the Registered Holder in person or by his duly authorized attorney, upon (i) surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney; and (ii) payment of the charges, if any, prescribed in the Resolution. Thereupon a new fully registered Bond or Bonds of like series designation, maturity and interest rate, and in a like aggregate principal amount will be issued to the transferee in exchange therefor as provided in the Resolution. The State, the Paying Agent and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

The State shall not be obligated to issue, exchange or transfer this Bond during the 15 days next preceding any Bond Payment Date. For every exchange or transfer of the Bonds, the State, the Paying Agent, or the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the State of South Carolina, does not exceed any limit prescribed by such Constitution or Statutes, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on this Bond and the issue of Bonds of which this Bond is one.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

IN WITNESS WHEREOF, the State of South Carolina has caused this Bond to be signed in its name by the manual or facsimile signatures of the Governor of South Carolina and the State Treasurer of South Carolina, the Great Seal of the State of South Carolina to be reproduced hereon and the same to be attested by the manual or facsimile signature of the Secretary of State of South Carolina.

THE STATE OF SOUTH CAROLINA

SEAL

Henry D. McMaster
Governor

Curtis M. Loftis, Jr.
State Treasurer

Attest:

Mark Hammond
Secretary of State

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Resolution.

[REGISTRAR], as Registrar

By: _____
Authorized Signatory

Date: _____, 20__

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(please print or type name and address of Transferee and Social Security or other identifying number of Transferee)

the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints

_____,
attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution
in the premises.

Date: _____

NOTE: The signature to this assignment must correspond
with the name(s) on the face of the foregoing bond in
every particular, without alteration.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an
institution which is a participant in the Securities
Transfer Agent Medallion Program ("Stamp") or
similar program.

The following abbreviations shall be construed as though they were written out in full according to
applicable laws or regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____	Custodian _____
TEN ENT --	as tenants by the entireties	(Cust)	(Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	Under Uniform Gift to Minors Act of the State of _____	

Additional abbreviations may be used though not in the list above.

(FORM OF OFFICIAL NOTICE OF SALE)

OFFICIAL NOTICE OF SALE

\$ _____*
STATE OF SOUTH CAROLINA
GENERAL OBLIGATION STATE INSTITUTION BONDS
(ISSUED ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA)
SERIES _____

(BOOK-ENTRY-ONLY)

ELECTRONIC BIDS for the purchase of the \$ _____* General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), Series _____ of the State of South Carolina (the “Bonds”), will be received by the Governor of the State of South Carolina (the “Governor”) and the State Treasurer of the State of South Carolina (the “State Treasurer”), in the Office of the State Treasurer, Room 121, in the Wade Hampton Office Building, Capitol Complex, Columbia, South Carolina, 29201, until _____ a.m. (Eastern Time) on _____, _____, or on such other date and time as may be established by the Governor and the State Treasurer and communicated by Thomson Municipal Market Monitor (“TM3”) not later than 48 hours prior to the time the bids are to be received.

PARITY® Only. All bids must be submitted through BiDCOMP/Parity Electronic Bid Submission System (“PARITY®”). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of PARITY® may be obtained from IPREO, Municipal Services, telephone (212) 404-8102, or parity@ipreo.com.

Authorization and Security. The Bonds are issued pursuant to (i) Article X, Section 13(6)(b) of the South Carolina Constitution, and (ii) Title 59, Chapter 107 of the South Carolina Code, as supplemented by Sections 11-27-30 and 11-29-30 of the South Carolina Code, and constitute general obligations of the State. On _____, 20____, the South Carolina State Fiscal Accountability Authority adopted a resolution providing for the issuance of the Bonds.

Description of the Bonds. The Bonds will initially be subject to a system of book-entry registration maintained by The Depository Trust Company (“DTC”). Principal of the Bonds when due will be paid upon presentation and surrender of such Bonds at the Corporate Trust Office of the Paying Agent. The Bonds will be dated as of the date of delivery thereof (“Dated Date”) expected to be on or about _____, 20____, and bear interest at a rate or rates to be named by the successful bidder (the “Purchaser”). Interest on the Bonds will be payable on _____ 1 and _____ 1 of each year commencing _____ 1, 20____. Interest on the Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Both principal of and interest on the Bonds will be paid in any coin or currency of the United States of America, which, at the time of payment, is legal tender for the payment of public and private debts. The Bonds will be issued in denominations of \$1,000 or any multiple thereof. The Bonds will mature on _____ 1 in the years and principal amounts as follows:

_____ 1 Principal Amount* _____ 1 Principal Amount*

* Subject to adjustment as set forth herein.

Optional Redemption. The Bonds maturing on or prior to ____, 20__, are not subject to optional redemption prior to their maturity date. The Bonds maturing after ____, 20__ are subject to redemption, in whole or in part, at any time in any order of maturity to be determined by the State, on and after ____, 20__, at the redemption price of par plus accrued interest to the date fixed for redemption.

[Term Bonds. Bidders may designate in their bid two or more consecutive annual principal payments as a term bond which matures on the last Annual Principal Payment Date of the sequence. Any term bond so designated must be subject to mandatory sinking fund redemptions in each year on the Annual Principal Payment Dates such that the principal amounts subject to mandatory sinking fund redemption match the principal amounts scheduled to mature as set forth in the table above* and equal, together with the principal amount of such term bond due at its maturity, the principal amount of the term bond. There is no limitation on the number of term bonds.]

Adjustments to Principal Amounts of the Bonds. As promptly as reasonably possible after the bids are received, the State will notify the bidder to which the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the State of the initial public offering prices of each maturity of the Bonds (the "Initial Reoffering Prices"). The Initial Reoffering Prices of the Bonds will be used to calculate the final maturity schedules and the final aggregate principal amounts of the Bonds (the "Final Amounts") to achieve the State's debt service objectives. The Purchaser may not withdraw its bid or change the interest rates bid or the Initial Reoffering Prices as a result of any changes made to the revised amounts.

The dollar amount bid by the Purchaser will be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds. Such adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount or premium, if any, but will not change the selling compensation per \$1,000 of par amount of the Bonds from the selling compensation that would have been received based on the purchase price for the Bonds of the winning bid and the Initial Reoffering Prices. The interest rate specified by the Purchaser for each maturity of the Bonds at the Initial Reoffering Prices for such maturity will not change.

The Final Amounts and the adjusted purchase price will be communicated to the Purchaser as soon as possible, but no later than 5:00 p.m. (Eastern Time) on the day of the sale.

Electronic Bidding Procedures. Bids to purchase Bonds (all or none) must be submitted electronically via PARITY®. Bids will be communicated electronically to the State at ____ a.m. (Eastern Time) on ____, _____. Prior to that time, a prospective bidder may (1) submit the proposed terms of its bid via PARITY®, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds or (3) withdraw its proposed bid. Once the bids are communicated electronically via PARITY® to the State, each bid will constitute an irrevocable and unconditional offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on PARITY® shall constitute the official time. The State will not accept bids by any means other than electronically via PARITY®.

Disclaimer. Each prospective bidder shall be solely responsible to submit its bid via PARITY® as described above. Each prospective bidder shall be solely responsible to make necessary arrangements to access PARITY® for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the State nor PARITY® shall have any duty or obligation to provide or assure access to PARITY® to any prospective bidder, and neither the State nor PARITY® shall be responsible for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The State is using PARITY® as a communication mechanism, and not as the State’s agent, to conduct the electronic bidding for the Bonds. The State is not bound by any advice and determination of PARITY® to the effect that any particular bid complies with the terms of this Official Notice of Sale and in particular the “CONDITIONS OF SALE” hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their submission of bids via PARITY® are the sole responsibility of the bidders; and the State is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or withdrawing a bid for the Bonds, the bidder should telephone PARITY® at (212) 404-8102 and notify the State’s Financial Advisor, Public Resources Advisory Group, Inc., via email at dforman@pragadvisors.com and mconley@pragadvisors.com. To the extent any instructions or directions set forth in PARITY® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about PARITY®, potential bidders may contact PARITY® at (212) 404-8102.

CONDITIONS OF SALE

Bidders are invited to name the rate or rates of interest which the Bonds are to bear, and unless all bids are rejected, they will be awarded to the bidder offering to purchase all of the Bonds at the lowest interest cost (as defined below) to the State at a price of not less than the par amount of the Bonds. Bidders may name any number of rates of interest, in any variations selected by the bidder except that:

- (1) All Bonds of the same maturity must bear the same rate of interest;
 - (2) No rate of interest named shall be more than six (6.0) percentage points;
 - (3) A zero (0.0) percentage point rate of interest is not permitted;
 - (4) Each interest rate named must be a multiple of 1/8th or 1/20th of one (1) percentage point;
- and
- (5) Any premium offered must be paid in cash as a part of the purchase price.

All bids must be for no less than 100 percent of the par value of the Bonds.

[Term bonds are not permitted.]

By submitting a bid, each bidder represents that the bidder’s proposal is genuine, and not a sham or collusive, and is not made in the interest of or on behalf of any person not therein named, the bidder has not directly or indirectly induced or solicited any other bidder to submit a sham bid or any other person, firm or corporation to refrain from bidding, and the bidder has not in any manner sought by collusion to secure for it an advantage over any other bidder. By submitting a bid for the Bonds, each bidder also represents and warrants to the State that (i) it has an established industry reputation for underwriting new issuances of municipal bonds; and (ii) such bidder’s bid for the purchase of the Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

Good Faith Deposit. No good faith deposit will be required.

Basis of Award. If at least three bids are received and the competitive sale requirements under provision of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) are met, the Bonds will be awarded to the bidder offering to purchase all of the Bonds at the lowest interest cost to the State. The lowest interest cost shall be determined in accordance with the true interest cost (TIC) method by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments from the payment dates to the date of the Bonds and to the amount bid, not including interest accrued to the date of delivery (expected to be on or about _____, ____), if any.

Issue Price Determination. The State expects and intends that the bid for the Bonds will satisfy the federal tax requirements for a qualified competitive sale of bonds, including, among other things, receipt of bids for the Bonds from at least three underwriters, who have established industry reputations for underwriting new issuances of municipal bonds (a “Qualified Competitive Bid”). The State will advise the successful bidder as promptly as possible after the bids are opened whether the bid constitutes a Qualified Competitive Bid, or, in the alternative, a bid that fails to satisfy such requirements (a “Nonqualified Competitive Bid”).

If the bid is a Qualified Competitive Bid, as promptly as possible after the bids are opened, the State will notify the successful bidder, and such bidder, upon such notice, shall advise the State, of the reasonably expected Initial Offering Price, as applicable, of each maturity of each series of the Bonds. In addition, the winning bidder shall be required to provide to the State information to establish the initial expected offering prices for each maturity of each series of the Bonds for federal income tax purposes by completing a certificate acceptable to Bond Counsel to the State, on or before the date of issuance of the Bonds, substantially in the form set forth in Exhibit A to the Official Notice of Sale, with appropriate completions, amendments and attachments.

If the bid is a Nonqualified Competitive Bid, as promptly as possible after the bids are opened, the State will notify the successful bidder, and such bidder, upon such notice, shall advise the State of the initial sale price or Initial Offering Price, as applicable, of each maturity of each series of the Bonds. In addition, the winning bidder shall be required to provide to the State information and assurances to establish the initial sale price or the initial offering price to the public, as applicable, for each maturity of each series of the Bonds for federal income tax purposes by completing a certification acceptable to Bond Counsel in substantially the form set forth in Exhibit B attached to this Supplement to the Official Notice of Sale, with appropriate completions, omissions and attachments. **It is noted that procedures for a Nonqualified Competitive Bid may require the winning bidder and, if applicable, other underwriters of the Bonds, to hold the initial offering prices for certain maturities of a series of the Bonds for up to five business days after the sale date, as further specified in the form of such certification.**

Undertakings of the Successful Bidder. The successful bidder (hereafter, the “Purchaser”) agrees to provide certificates, including, but not limited to, an issue price certificate in the form attached hereto either as Exhibit A or as Exhibit B, as applicable.

Acceptance or Rejection of Bids. Bids will be accepted or rejected promptly after receipt and not later than by 2:00 p.m. (Eastern Time) on the day of the sale. In the event of tie lowest interest cost bids, the State shall select the Purchaser(s).

Rights Reserved. The State reserves the right to reject any and all bids and to reject any bids not complying with this Official Notice of Sale. The State also reserves the right to waive any irregularity or informality with respect to any bid.

Right to Change this Official Notice of Sale and to Postpone Offering. The State reserves the right to make changes to this Official Notice of Sale and also reserves the right to postpone, from time to time, the

date and time established for the receipt of bids. Any such postponement will be announced via TM3. If any date and time fixed for the receipt of bids and the sale of the Bonds is postponed, an alternative sale date and time will be announced via TM3 at least 48 hours prior to such alternative sale date. On any such alternative sale date and time, any bidder may submit an electronic bid for the purchase of the Bonds in conformity in all respects with the provisions of this Official Notice of Sale, except for the date and time of sale and except for any changes announced over TM3 at the time the sale date and time are announced.

Delivery of the Bonds. The Bonds will be delivered through the facilities of DTC on or about _____, _____, against payment of the purchase price therefor in federal funds.

Documents to be Delivered at Closing. The State will furnish, without cost to the Purchaser, the Bonds and the opinions as to their validity by Pope Flynn, LLC, Bond Counsel. The State will also furnish opinions of The Honorable Alan Wilson, Attorney General of the State of South Carolina as to the absence of litigation restraining or enjoining the issuance and delivery of the Bonds.

Tax Opinion. The opinion of Bond Counsel will state that (a) interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax; and (b) the Bonds and the interest thereon are exempt from all State, county, municipal, school district and all other taxes or assessments imposed within the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes. The opinion will further state that the Code establishes certain requirements which must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds remains excluded from gross income for federal income tax purposes. Noncompliance may cause interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds, regardless of the date on which such noncompliance occurs or is ascertained. The State has covenanted to comply with the requirements of the Code in the resolutions pursuant to which the Bonds are issued and, in rendering its opinion, Bond Counsel will assume compliance with such covenants.

CUSIP Numbers. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for the Bonds. The State's Financial Advisor will timely apply for CUSIP numbers with respect to the Bonds as required by MSRB Rule G-34. All expenses in relation to the printing of the CUSIP identification numbers on the Bonds shall be paid by the State. However, the CUSIP Global Services charge for the assignment of such numbers shall be the responsibility of and shall be paid by the Purchaser.

Official Statement. A Preliminary Official Statement dated on or about _____, 20____, with respect to the Bonds has been prepared by the State, and such Preliminary Official Statement is deemed final by the State for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule"). The only information omitted from the Preliminary Official Statement are those items permitted to be omitted under the Rule. The Preliminary Official Statement will be made available at <http://www.MuniOS.com>. The State designates the Purchaser as its agent for purposes of distributing copies of the final Official Statement. The Purchaser agrees to (1) accept such designation, and (2) assure proper dissemination of the final Official Statement. The State will prepare and provide to the Purchaser, within seven business days after the sale date, a mutually agreed upon number of printed copies of the final Official Statement. The final Official Statement shall be in substantially the same form as the Preliminary Official Statement, subject to any additions, deletions or revisions that the State believes are necessary.

Continuing Disclosure. In order to assist the Purchaser in complying with the Rule, the State will undertake, in accordance with the authorizing resolutions pursuant to which the Bonds are issued and a Continuing Disclosure Undertaking, to provide annual reports and notices of certain events. A description of

this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Additional Information. Prospective purchasers may obtain, in advance of the sale, copies of the Preliminary Official Statement relating to the Bonds from (i) the MuniOS website, <http://www.MuniOS.com>; (ii) Kevin O'Brien, Director Debt Management Division, Office of State Treasurer, 122 Wade Hampton Office Building, Columbia, South Carolina 29201 (telephone: (803) 734-2677; email: kevin.o'brien@sto.sc.gov); or (iii) Samuel W. Howell IV, Disclosure Counsel, Howell Linkous & Nettles, LLC, The Lining House, 106 Broad Street, Charleston, South Carolina, 29401 (telephone: (843) 266-3801; email: samhowell@bond-law.com).

Henry D. McMaster, Governor of South Carolina

Curtis M. Loftis, Jr., State Treasurer of South Carolina

Dated _____, 20__

FORM OF ISSUE PRICE CERTIFICATE FOR
QUALIFIED COMPETITIVE BID

ISSUE PRICE CERTIFICATE

§ _____*
STATE OF SOUTH CAROLINA
GENERAL OBLIGATION STATE INSTITUTION BONDS
(ISSUED ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA),
SERIES 20 ____

The undersigned, a duly authorized officer of _____, as the purchaser (the "Purchaser") of the above-captioned obligations (the "Bonds") issued by the State of South Carolina (the "State"), represents and certifies, to establish the "issue price" of the Bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and certain other matters, that:

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

(d) The Purchaser has an established industry reputation for underwriting new issuances of municipal bonds.

2. Defined Terms.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, ____.

(d) *Underwriter* as used herein means (i) any person that agrees pursuant to a written contract with the State (or with the lead Underwriter to form a syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly

* Subject to adjustment as set forth herein.

with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Code and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Tax and Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Pope Flynn, LLC, as bond counsel to the State, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the State from time to time relating to the Bonds.

Signed this ____ day of _____, ____.

[Purchaser]

By: _____
Name: _____
Title: _____

Schedule A

Expected Offering Prices

Schedule B

Copy of Winning Bid

FORM OF ISSUE PRICE CERTIFICATE FOR
NONQUALIFIED COMPETITIVE BID

ISSUE PRICE CERTIFICATE

\$ _____*
STATE OF SOUTH CAROLINA
GENERAL OBLIGATION STATE INSTITUTION BONDS
(ISSUED ON BEHALF OF THE UNIVERSITY OF SOUTH CAROLINA),
SERIES 20 _____

The undersigned, a duly authorized officer of _____, as the purchaser (the "Purchaser") of the above-captioned obligations (the "Bonds") issued by the State of South Carolina (the "State"), represents and certifies, to establish the "issue price" of the Bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and certain other matters, that:

1. ***Sale of the General Rule Maturities.*** As of the date of this Certificate, for each Maturity of the General Rule Maturities, the first price at which 10% of such Maturity was sold by the Purchaser to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Purchaser offered the Hold-the-Offering Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule B.

(b) As set forth in the Official Notice of Sale and bid award, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to the foregoing, no Underwriter has offered or sold any Maturity of the Hold-the-Offering Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of each series of the Bonds shown in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of each series of the Bonds listed in Schedule A hereto as the "*Hold-the-Offering-Price Maturities*."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price

* Subject to adjustment as set forth herein.

Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the State of South Carolina.

(e) *Maturity* means Bonds of a series with the same credit and payment terms. Bonds of a series with different maturity dates, or Bonds of a series with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to the Purchaser. The term "related party" for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, _____, 20__.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Code and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Tax and Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Pope Flynn, LLC, as bond counsel to the State, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the State from time to time relating to the Bonds.

Signed this ____ day of _____, 202__.

[Purchaser]

By: _____
Name: _____
Title: _____

Schedule A

Expected Initial Offering Prices of the Bonds

Schedule B

Copy of Winning Bid

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this “Disclosure Undertaking”) is executed and delivered this ___ day of ___, 20___, by the State of South Carolina (the “State”) in connection with the issuance of the State’s \$_____ General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), Series 20___ (the “Bonds”).

The Bonds are being issued pursuant to a resolution adopted on _____, 20___ (the “Resolution”), by the State Fiscal Accountability Authority authorizing the issuance of the Bonds. The State covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the State for the benefit of the holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the U.S. Securities and Exchange Commission (the “SEC”) Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolution or elsewhere in this Disclosure Undertaking, which apply to any capitalized terms used in this Disclosure Undertaking, the following capitalized terms shall have the following meanings:

“Annual Report” means the annual report provided by the State pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Dissemination Agent” means any person designated in writing by the State and which has filed with the State a written acceptance of such designation.

“EMMA” means the Electronic Municipal Market Access system described in SEC Release No. 34-59062 (or any successor electronic information system) and maintained by MSRB as the sole repository for the central filing of electronic disclosure pursuant to the Rule.

“Financial Obligation” as used in this Disclosure Undertaking is defined in the Rule, as may be amended, as a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Undertaking.

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Unless otherwise designated by MSRB or the SEC, filings with the MSRB are to be made through EMMA.

“Official Statement” means the Official Statement dated _____, 20___, prepared in connection with the Bonds.

“Participating Underwriter” means the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” means the State of South Carolina.

Section 3. Provision of Annual Reports. (a) The State shall, not later than seven (7) months after the end of the State’s fiscal year (which shall be January 31 of each year, so long as the State’s fiscal year ends on June 30), commencing with the report for the fiscal year ended June 30, 20__, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Undertaking; provided, however, that the audited financial statements of the State for the fiscal year ended June 30, 20__, and for each subsequent fiscal year may be submitted separately from the remainder of the Annual Report, and later than the date required for the filing of the Annual Report if they are not available by that date. If the State’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a) hereof.

(b) The Annual Report shall be submitted to the MSRB either through a web-based electronic submission interface or through electronic computer-to-computer data connections with EMMA in accordance with the submission process, document format and configuration requirements established by the MSRB. The Annual Report shall also include all related information required by the MSRB to accurately identify: (i) the category of information being provided; (ii) the period covered by the Annual Report; (iii) the issues or specific securities to which the Annual Report is related (including CUSIP number, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (iv) the name of any obligated person other than the State; (v) the name and date of the document; and (vi) contact information for the Dissemination Agent or the State’s submitter.

(c) If the State is unable to provide to the MSRB an Annual Report by the date required in subsection (a) above, the State shall, in a timely manner, send or cause to be sent to the MSRB, a notice in substantially the form attached hereto as Exhibit A.

(d) In the event that there is a Dissemination Agent, then not later than fifteen (15) business days prior to each due date, the State shall provide the Annual Report to the Dissemination Agent for distribution to the MSRB. In connection with this distribution of the Annual Report, the Dissemination Agent, if any, shall file a report with the State certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, and stating the date it was provided to the MSRB.

Section 4. Contents of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The audited Comprehensive Annual Financial Report of the State for the fiscal year ended on the previous June 30, prepared in accordance with accounting principles generally accepted in the United States of America applicable to government entities from time to time by the Governmental Accounting Standards Board. If the State’s audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a) hereof, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and

the audited financial statements shall be provided to the MSRB in the same manner as the Annual Report when they become available;

(b) Revenue by sources in the preceding fiscal year for all governmental fund types, as indicated in Note 1 of the Audited Financial Statements contained as Appendix A in the Official Statement;

(c) Computation of the legal debt margin for General Obligation Bonds as set forth in the Official Statement under the heading “DEBT OF THE STATE OF SOUTH CAROLINA;”

(d) Total outstanding general obligation bonds and annual debt service as set forth in the Official Statement under the headings “DEBT OF THE STATE” and “TABLES RELATING TO THE BONDS AND THEIR EFFECT ON THE DEBT OF THE STATE;” and

(e) Total general obligation bonds per capita as set forth in the Official Statement under the heading “TABLES RELATING TO THE BONDS AND THEIR EFFECT ON THE DEBT OF THE STATE-Relationship of Population and Personal Income to General Obligations of the State.”

The Annual Report may consist of one or more documents. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the State, which have been made available to the public on EMMA. The State shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events. (a) The State shall give or cause to be given notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of security holders, if material;
- (viii) Bond calls, if material and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;

- (xii) bankruptcy, insolvency, receivership or similar event of any obligated person, which event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person;
- (xiii) the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of trustee, if material;
- (xv) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the obligated person, any of which reflect financial difficulties.

Section 6. Format for Filing With the MSRB. All documents provided to the MSRB pursuant to this Disclosure Undertaking shall be submitted in electronic format and shall identify the Bonds by name and CUSIP number or shall be accompanied by such identifying information as described from time to time by the MSRB.

Section 7. Termination of Reporting Obligation. This Disclosure Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Bonds shall have been paid in full or the Bonds shall have otherwise been paid or legally defeased; provided, however, that if the Rule (or any successor provision) shall be amended, modified, or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder; and provided further that if and to the extent the Rule (or any successor provision), or any provision thereof, shall be declared by a court of competent and final jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void, or otherwise inapplicable to the Bonds, then the information required to be provided hereunder, insofar as it was required to be provided by a provision of the Rule so declared, shall no longer be required to be provided hereunder. Upon any legal defeasance, the State shall electronically file notice of such defeasance with the MSRB, and such notice shall state whether the Bonds have been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 8. Dissemination Agent. The State may, from time to time, appoint or engage a Dissemination Agent to assist in its carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the State pursuant to this Disclosure Undertaking.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the State may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a) hereof, it may only be made in connection with a change in circumstances that arises from a change in legal requirements or change in law;

(b) This Disclosure Undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the State shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the State. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given by filing with the MSRB and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the State from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the State chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the State shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 11. Default. In the event of a failure of the State to comply with any provision of this Disclosure Undertaking, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking *mandamus* or specific performance by court order, to cause the State to comply with its obligations under this Disclosure Undertaking; provided, however, that any such action may be instituted only in the Federal or State courts located in Columbia, South Carolina. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the State to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and in any separate written agreement between the Issuer and the Dissemination Agent.

Section 13. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the State, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time

of the Bonds, and shall create no rights in any other person or entity. This Disclosure Undertaking is not intended to create any monetary rights on behalf of any person.

THE STATE OF SOUTH CAROLINA

Date: _____, 20__

By: _____
State Treasurer

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT

Issuer: The State of South Carolina

Obligations: \$_____ General Obligation State Institution Bonds (Issued on Behalf of
the University of South Carolina), Series 20__

Date of Issuance: _____, 20__

CUSIP: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Resolution adopted on _____, 20__. The Issuer anticipates that the Annual Report will be filed by _____.

THE STATE OF SOUTH CAROLINA

By: _____
State Treasurer

Date: _____



Pope Flynn, LLC
1411 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201
MAIN 803.354.4900
FAX 803.354.4899
www.popeflynn.com

[Date of Delivery]

South Carolina State Fiscal Accountability Authority
Columbia, South Carolina

Re: \$ _____ General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), Series 2026, of the State of South Carolina

Ladies and Gentlemen:

We have acted as bond counsel to the State of South Carolina (the “State”) in connection with the issuance of \$ _____ General Obligation State Institution Bonds (Issued on Behalf of the University of South Carolina), Series 2026, of the State of South Carolina (the “Bonds”), dated [Date of Delivery]. In such capacity, we have examined such laws and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to (i) Article X, Section 13(6)(b) of the South Carolina Constitution, (ii) Title 59, Chapter 107 of the South Carolina Code, as supplemented by Section 11-27-30 of the South Carolina Code and Section 11-29-30 of the South Carolina Code (the “Enabling Act”), and (iii) a resolution adopted on March 31, 2026, by the South Carolina State Fiscal Accountability Authority, for the purpose of raising funds for purposes authorized by the Enabling Act, and to pay the costs of issuance of the Bonds.

As to questions of fact material to our opinion, we have relied upon the Transcript of Proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of any information provided by the State or others relating to the Bonds, and we express no opinion relating thereto.

Based upon the foregoing, we are of the opinion, as of the date hereof and under existing law, that:

1. The Bonds are valid and legally binding general obligations of the State.
2. The full faith, credit, and taxing power of the State and, in addition, the revenues derived from Tuition Fees received by the University of South Carolina are pledged to the payment of the principal of and interest on the Bonds as they become due and payable. Provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on the Bonds.
3. Under existing law, assuming continuing compliance with certain covenants made by the University of South Carolina to satisfy pertinent requirements of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations promulgated thereunder, and the

accuracy of certain representations of the University of South Carolina, interest on the Bonds (i) is excluded from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals under the Code. Such income is, however, taken into account in determining the annual adjusted financial statement income of certain applicable corporations (as defined in Section 59(k) of the Code) for the purpose of determining the application of the 15-percent alternative minimum tax imposed on the adjusted financial statement income of such corporations.

4. The Bonds and the interest thereon are exempt from all State of South Carolina, county, school district, municipal and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except for inheritance, estate or transfer taxes, but the interest thereon may be includable for certain franchise fees or taxes.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to judicial discretion, the valid exercise of the sovereign police powers of the State and of the constitutional powers of the United States of America, and to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore and hereafter enacted to the extent constitutionally applicable.

We express no opinion regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement dated _____, 2026, or the Official Statement dated _____, 2026, relating to the Bonds.

We have examined a specimen Bond of this issue and, in our opinion, it is in due form of law.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,

Pope Flynn, LLC

AGENCY: State Fiscal Accountability Authority, Executive Director

SUBJECT: Annual Report on State Housing Tax Credits

Section 12-6-3795(C)(4) of the South Carolina Code of Laws provides that the State Housing Finance and Development Authority must furnish no later than January 31 of each year an annual report of South Carolina housing tax credits allocated pursuant to this section, which must include for the preceding calendar year the total amount of tax credits allocated. The annual report must be furnished to the President of the Senate, the Speaker of the House of Representatives, the Chairman of the House Ways and Means Committee, the Joint Bond Review Committee, and the State Fiscal Accountability Authority. The State Housing Finance and Development Authority provided its report for calendar year 2025 on January 31, 2026.

AUTHORITY ACTION REQUESTED:

Receive as information the Annual Report of State Housing Tax Credits from the State Housing Finance and Development Authority.

ATTACHMENTS:

1. January 31, 2026, Letter from Robert Macdonald
2. 2025 Annual Report on State Housing Tax Credits
3. §12-6-3795, South Carolina Code of Laws



South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: 803.896.9001 TTY: 803.896.8831

SCHousing.com

C. Todd Latiff
Chairman

Robert Macdonald
Executive Director

January 31, 2026

The Honorable Thomas C. Alexander
President of the Senate
213 Gressette Bldg.
Columbia, SC 29201

The Honorable G. Murrell Smith, Jr.
Speaker of the House of Representatives
506 Blatt Bldg.
Columbia, SC 29201

Dear Senator Alexander and Representative Smith,

According to S.C. Code § 12-6-3795, SC Housing is to provide an annual report of South Carolina housing tax credits allocated each calendar year no later than January 31st. The annual report has been broken out into two reports.

The first report is a list of developments that received a preliminary determination letter of state tax credits. Act 202 allows for an annual amount of \$20,000,000 in state tax credits to be allocated each year. In 2025, SC Housing allocated \$6,985,714.08 in annual state tax credits in the Bond program and \$9,742,709 in annual state tax credits to developments awarded in the 9% Low Income Housing Tax Credit program.

S.C. Code § 12-6-3795 (B)(5)(b) allows any recaptured, revoked, canceled or otherwise recovered state tax credits to roll over for future years. The unused portion and the recovered portion of state tax credits total \$24,503,655.67, which will be rolled over to use in 2026.

The second report contains a list of placed-in-service developments that were issued the final amount of annual tax credits totaling \$30,827,781.

Please let me know if you have any questions or need anything further.

Sincerely,

A handwritten signature in blue ink that reads "Robert Macdonald".

Robert Macdonald, CPA, CGFO
Executive Director

Enclosures

Cc: The Honorable Harvey S. Peeler, Jr., Chairman, Senate Finance Committee, Joint Bond Review Committee
The Honorable Bruce W. Bannister, Chairman, House of Representatives Ways and Means Committee
Mr. S. Grant Gillespie, Executive Director, State Fiscal Accountability Authority

State Tax Credit Allocation Summary

2022	
2022 Allotment	\$ 20,000,000.00
SCT Allocated 2022	\$ (14,524,869.00)
STC Remaining 2022	<u>\$ 5,475,131.00</u>
2023	
2023 Allotment	\$ 20,000,000.00
STC Remaining 2022	<u>\$ 5,475,131.00</u>
2023 Total Available	<u>\$ 25,475,131.00</u>
STC Allocated 2023 - Bonds	\$ (8,558,254.00)
*Remaining 2023 - unused from Act 88	\$ 16,916,877.00
**Recovered -S.C. Code § 12-6-3795 (B)(5)(b)	<u>\$ 2,287,718.18</u>
Total Remaining 2023	<u>\$ 19,204,595.18</u>
2024	
2024 Allotment	\$ 20,000,000.00
STC Remaining 2023	<u>\$ 19,204,595.18</u>
2024 Total Available	<u>\$ 39,204,595.18</u>
STC Allocated 2024 - Bonds	\$ (7,984,404.00)
STC Allocated 2024 - 9% - Rural	\$ (1,905,168.00)
STC Allocated 2024 -9% - Non Rural	<u>\$ (9,038,604.00)</u>
Total STC Allocated 2024	<u>\$ (18,928,176.00)</u>
**Recovered -S.C. Code § 12-6-3795 (B)(5)(b)	<u>\$ 11,147.75</u>
Total Remaining 2024	<u>\$ 20,287,566.93</u>
2025	
2025 Allotment	\$ 20,000,000.00
STC Remaining 2024	<u>\$ 20,287,566.93</u>
2025 Total Available	<u>\$ 40,287,566.93</u>
STC Allocated 2025 - Bonds	\$ (6,985,714.08)
STC Allocated 2025 - 9% - Rural	\$ (6,179,567.00)
STC Allocated 2025 -9% - Non Rural	<u>\$ (3,563,142.00)</u>
Total STC Allocated 2025	<u>\$ (16,728,423.08)</u>
**Recovered -S.C. Code § 12-6-3795 (B)(5)(b)	<u>\$ 944,511.82</u>
Total Remaining 2025	<u>\$ 24,503,655.67</u>

2026	
2026 Allotment	\$ 20,000,000.00
STC Remaining 2025	<u>\$ 24,503,655.67</u>
2026 Total Available	<u>\$ 44,503,655.67</u>
2026 TEB STC Amount (60%)	\$ 26,702,193.40
2026 9% STC Amount (40%)	\$ 17,801,462.27

* Act 88 consisted of \$16,916,877 (remaining from 2023) and \$12,889,152 (1.B.1 List) totaling \$29,806,029. STCs allocated under Act 88 total \$10,997,150.92. Pursuant to S.C. Code §12-6-3795 (B)(5)(b), the total amount of unallocated 2023 tax credits is included in this line item. However, unallocated tax credits from Act 202's 1.B.1. list have not been included in this line item due to Act 202's restrictions.

**Recovered STC - For 2025, \$838,584 (Oak Place) and \$105,927.82 unused at PIS (Legacy Oaks II \$0.34, Park at Hanahan \$569.10, Benton Crossing \$0.49, Waters at Augusta \$0.06, Osprey Place \$105,357, Aston Pointe \$0.83). For 2024, \$11,147.75 unused at PIS (May River Village III \$2,018; Creekside Village \$9,129.48 & Shannon Park \$0.27). For 2023, \$2,204,359 (Garden Park) and \$83,359.18 unused at PIS (Filbin Creek \$69,243; Woodford Trace \$2,001; The Refinery \$7,359; Waterford Pointe \$0.18 & Waters at Ribaut \$4,756)

Preliminary Determination Amount of Annual State Tax Credits - 2025

	Date STC Letter Sent	Year of QAP	Program	ID	Development Name	City	County	Developer	Amount of Annual Tax Credits on STC Letter	TC Units	Public Benefit
1	5/22/2025	2025	TEB	52412	Summit at Belmont	Columbia	Richland	Ronit Hoffer, Mercy Housing	\$ 360,251.00	76	New Construction of 76 family units at 60% AMI.
2	5/22/2025	2025	TEB	52424	Pickens Gardens	Pickens	Pickens	Jordana Nelson, DGA Residential	\$ 595,000.00	76	Rehab of 76 family units at 60% AMI.
3	5/22/2025	2025	TEB	52425	Long Branch	Greenville	Greenville	James Bernstein, Fitch Irick	\$ 1,000,000.00	180	New Construction of 180 family units. 30 units at 50% AMI, 124 units at 60% AMI, 26 units at 70% AMI.
4	12/3/2025	2025	TEB	52501	Palomino Estates	Blythewood	Richland	Jared Houser, Pedcor Investments	\$ 1,000,000.00	216	New Construction of 216 family units at 60% AMI.
5	12/3/2025	2025	TEB	52509	Village at Crabtree	Conway	Horry	Alex Frazier, TWG Development	\$ 1,100,000.00	117	New Construction of 117 family units at 60% AMI.
6	12/3/2025	2025	TEB	52510	Cherokee Landing Phase II	Greenville	Greenville	Alex Frazier, TWG Development	\$ 335,000.00	108	New Construction of 108 family units at 60% AMI.
7	12/3/2025	2025	TEB	52527	82 Canal Street Lofts	Graniteville	Aiken	James Sari, Sari & Company	\$ 902,000.00	124	New Construction of 124 family units. 32 units at 30% AMI, 92 units at 70% AMI.
8	12/3/2025	2025	TEB	52519	West Yard Lofts	North Charleston	Charleston	James Bernstein, Fitch Irick	\$ 145,000.00	60	Rehab of 60 family units. 30 units at 50% AMI, 30 units at 60% AMI.
9	12/3/2025	2025	TEB	52520	Berea Heights Villas	Greenville	Greenville	James Bernstein, Fitch Irick	\$ 458,000.00	72	Rehab of 72 family units at 60% AMI.
10	12/3/2025	2025	TEB	52525	Appian Way	North Charleston	Dorchester	Brian Moloney, Lincoln Avenue Communities	\$ 440,463.08	204	Rehab of 204 family units at 60% AMI.
11	12/3/2025	2025	TEB	52502	Towne Park Apartments	Piedmont	Greenville	Jared Houser, Pedcor Investments	\$ 300,000.00	216	New Construction of 2016 family units at 60% AMI.
12	12/3/2025	2025	TEB	52529	Church Hill Apartments	Florence	Florence	Renee Sandell, Paces Foundation	\$ 350,000.00	166	Rehab of 166 family units at 60% AMI.
13	10/15/2025	2025	9% -Rural	25002	Orchard Commons	Hartsville	Darlington	T. Kevin Connelly, Connelly Development. LLC	\$ 1,065,004.00	58	New Construction of 58 family units. 6 units at 20% AMI, 14 units at 50% AMI, 24 units at 60% AMI, 14 units at 70% AMI.
14	10/15/2025	2025	9% -Rural	25016	Gateway at Lancaster	Lancaster	Lancaster	Josh Mandell, Gateway Development Corporation	\$ 1,303,663.00	50	New Construction of 50 family units. 5 units at 20% AMI, 5 units at 30% AMI, 40 units at 60% AMI.
15	10/15/2025	2025	9% -Rural	25018	Duncan Village	Duncan	Spartanburg	Gerald Krueger, American Community Developers, Inc.	\$ 647,506.00	50	Rehab of 50 family units at 60% AMI.
16	10/15/2025	2025	9% -Rural	25029	Eureka Mills	Chester	Chester	Fred Dodson, Dreamkey Partners	\$ 1,453,800.00	60	New Construction of 60 family units. 6 units at 20% AMI, 6 units at 40% AMI, 48 units at 60% AMI.
17	10/15/2025	2025	9% -Rural	25032	Newberry Commons	Newberry	Newberry	Josh Thomason, Piedmont Housing Group	\$ 509,000.00	48	New Construction of 48 older persons units. 5 units at 20% AMI, 33 units at 60% AMI, 10 units at 70% AMI.
18	10/15/2025	2025	9% -Rural	25044	The Villages on Center Street	Bennettsville	Marlboro	Clay Copper, Woda Cooper	\$ 690,000.00	54	New Construction of 54 family units. 6 units at 20% AMI, 8 units at 50% AMI, 30 units at 60% AMI, 10 units at 80% AMI.
19	10/15/2025	2025	9% -Rural	25049	Swann Meadows	Greenwood	Greenwood	James Bernstein, Fitch Irick	\$ 510,594.00	56	Rehab of 56 family units. 6 units at 50% AMI and 50 units at 60% AMI.
20	10/15/2025	2025	9% - Non Rural	25004	Palms at Oak Street	Myrtle Beach	Horry	Drew Schaumber, Schaumber Development, LLC	\$ 750,000.00	54	New Construction of 54 family units. 25 units at 50% AMI, 29 units at 60% AMI.
21	10/15/2025	2025	9% - Non Rural	25010	Oakland Place	Florence	Florence	Renee Sandell, Paces Foundation	\$ 146,000.00	64	PHA Rehab of 64 family units. 13 units at 40% Ami, 51 units at 60% AMI.
22	10/15/2025	2025	9% - Non Rural	25027	Kennedy Street Apartments	Spartanburg	Spartanburg	Jon Enos, SCG Development	\$ 760,453.00	48	New Construction of 48 family units. 5 units at 20% AMI, 11 units at 50% AMI, 22 units at 60% AMI, 10 units at 70% AMI.
23	10/15/2025	2025	9% - Non Rural	25039	Peaks of Rock Hill	Rock Hill	York	Sam Coats, Resource Housing Group	\$ 1,446,689.00	72	New Construction of 72 older persons units. 8 units at 20% AMI, 4 units at 30% AMI, 60 units at 60% AMI.
24	10/15/2025	2025	9% - Non Rural	25048	Coit Village	Florence	Florence	James Bernstein, Fitch Irick	\$ 460,000.00	60	Rehab of 60 family units at 60% AMI.

Bond STC Issued: \$ 6,985,714.08

9% - Rural Issued: \$ 6,179,567.00

9% - Non-Rural Issued: \$ 3,563,142.00

Total STC Issued: \$ 16,728,423.08

Final Amount of Annual State Tax Credits Issued at Placed-in-Service - 2025

	Date STC Letter Sent	Year of QAP	Program	ID	Development Name	City	County	Developer	Amount of Annual Tax Credits on STC Letter	TC Units	Public Benefit	Credits Issued at PIS	Credits Issued Date	PIS Date	
1	11/15/2024	2024	9%	20018	Legacy Oaks II	Greenville	Greenville	Jody Tucker, Prestwick Companies	\$ 957,322.34		New Construction of 902 family units. 5 units at 30% AMI, 30 units at 50% Ami, 55 units at 60% AMI	\$ 957,322.00	2/11/2025	8/31/2023	
2	4/16/2021	2021	9%	20016	Park at Hanahan	Hanahan	Berkeley	Jody Tucker, Prestwick Companies	\$ 912,565.10	72	New Construction of 72 older persons units. 5 units at 30% AMI, 21 units at 50% AMI, 46 units at 60% AMI.	\$ 911,996.00	2/18/2025	2/6/2024	
3	9/23/2021	2021	Bond/Act 88	52027	Colonel Creek	Columbia	Richland	Charlie Irick, Fitch Irick	\$ 2,181,311.25	288	New Construction of 288 family units at 60% AMI. 2 - 1 bedroom, 144 - 2 bedroom, 72 - 3 bedroom	\$ 2,181,311.00	2/20/2025	10/18/2023	
4	12/21/2023	2023	9%	21006	Benton Crossing	Columbia	Richland	Gregg Bayard, Parallel Housing	\$ 916,317.49	56	New Construction of 56 family units. 6 units at 20% AMI, 5 units at 30% AMI, 44 units at 60% AMI	\$ 916,317.00	2/20/2025	9/13/2024	
5	9/15/2022	2022	Bond/Act 88	52003	Robert Smalls	Spartanburg	Spartanburg	Avram Fetcher, Equity Plus	\$ 1,866,980.00	190	New Construction of 190 family units at 50% AMI. 65 - 1 bedroom, 93 - 2 bedroom, 25 - 3 bedroom, 7 - 4 bedroom	\$ 1,866,980.00	2/26/2025	6/17/2022	
6	12/22/2020	2020	4%	42110	Waters at Augusta	Greenville	Greenville	Michael Nguyen, Atlantic Housing	\$ 1,775,097.06	199	Rehab of 199 family units at 60% AMI. 49 - 2 bedroom, 150 - 3 bedroom.	\$ 1,775,097.00	3/18/2025	12/18/2023	
7	9/9/2021	2021	Bond	51904	Osprey Place	North Charleston	Charleston	Tommy Attridge, Standard Properties	\$ 780,531.00		Rehab of 108 family units at 60% AMI. 36 - 2 bedroom, 72 - 3 bedroom.	\$ 675,174.00	5/23/2025	1/31/2022	
8	6/30/2021	2021	4%/Act 88	42127	Haven at Congaree Pointe	Columbia	Richland	Katessa Archer, Dominion	\$ 3,225,901.34	197	New Construction of 197 older persons units at 60% AMI. 96 - 1 bedroom, 101 - 2 bedroom	\$ 2,898,209.00	7/15/2025	2/2/2024	
9	9/23/2021	2021	4%/Act 88	42113	The Park at Wilkerson Road	Rock Hill	York	RJ Pasquesi, KCG Development, LLC	\$ 1,499,257.08	136	New Construction of 136 older persons units at 60% AMI. 74 - 1 bedroom, 62 - 2 bedroom	\$ 1,437,583.00	8/14/2025	3/22/2024	
10	9/22/2023	2023	4%/Act 88	42103	Garden Lakes	Columbia	Richland	Andrew Spraker, GDA Partners	\$ 2,580,138.00	288	New Construction of 288 family units at 60% AMI. 108 - 1 bedroom, 144 - 2 bedroom, 36 - 3 bedroom	\$ 2,580,138.00	8/22/2025	4/8/2024	
11	9/1/2021	2021	4%/Act 88	42115	Oak Terrace	Columbia	Richland	Ray Nix, Urban Matters	\$ 1,110,985.66	95	New Construction of 95 elderly persons units at 60% AMI. 95 - 1 bedroom	\$ 1,110,985.00	8/22/2025	9/30/2024	
12	9/22/2023	2023	4%/Act 88	42116	Oak Park	Columbia	Richland	Ray Nix, Urban Matters	\$ 2,076,584.23	171	New Construction of 171 family units at 60% AMI. 96 - 2 bedroom, 75 - 3 bedroom	\$ 2,066,218.00	8/22/2025	5/1/2024	
13	9/22/2023	2023	9%/Act 88	21004	Pintail Pointe	Beaufort	Beaufort	Kevin Connelly, Connelly Development, LLC	\$ 1,182,145.06	84	New Construction of 84 family units. 9 units at 20% AMI, 16 units at 50% AMI, 58 units at 60% AMI, 1 unit at 70% AMI	\$ 1,182,145.00	8/29/2025	3/11/2025	
14	9/23/2021	2021	Bond/Act 88	52111	Village at Congaree Pointe	Columbia	Richland	Ross Cowan, Armada Development	\$ 1,939,940.00	240	New Construction of 240 family units at 60% AMI. 60 - 1 bedroom, 144 - 2 bedroom, 36 - 3 bedroom	\$ 1,939,940.00	9/8/2025	11/3/2023	
15	9/23/2021	2021	Bond	52001	Broad River Village	Beaufort	Beaufort	Alison Birge, Pedcor	\$ 1,524,847.00	160	New Construction of 160 family units at 60% AMI. 24 - studio, 48 - 1 bedroom, 48 - 2 bedroom, 40 - 3 bedroom.	\$ 1,524,847.00	10/8/2025	11/28/2023	
16	9/22/2023	2023	9%	21040	Aston Pointe	Anderson	Anderson	Jody Tucker, Prestwick Companies	\$ 1,424,722.83	90	New Construction of 90 family units. 9 units at 20% AMI, 9 units at 40% AMI, 72 units at 60% AMI	\$ 1,424,722.00	10/16/2025	5/13/2024	
17	9/22/2023	2023	4%/Act 88	42119	Gateway at Cross Creek	Central	Pickens	Josh Mandell, Gateway Development Corporation	\$ 1,958,526.80	168	New Construction of 168 family units at 60% AMI. 24 - 1 bedroom, 84 - 2 bedroom, 60 - 3 bedroom	\$ 1,935,808.00	10/29/2025	12/4/2023	
18	11/9/2021	2021	9%/Act 88	21032	Dogwood Senior Village	Greenwood	Greenwood	Josh Thomason, Piedmont Housing Group	\$ 982,369.29	48	New Construction of 48 older persons units. 5 units at 20% AMI, 38 units at 60% AMI, 5 units at 80% AMI	\$ 982,369.00	10/30/2025	2/13/2025	
19	9/22/2023	2023	9% - Non Rural	22034	Hope Springs	Florence	Florence	Kevin Connelly, Connelly Development'	\$ 319,056.00	40	New construction of 40 family units. 5 units at 20% AMI, 34 units at 60% AMI and 1 unit at 70% AMI	\$ 319,056.00	11/7/2025	4/21/2025	
20	9/23/2021	2021	9%/Act 88	21020	Havenwood Mathis	Greenwood	Greenwood	Max Elbe, Lowcountry Housing Communities	\$ 940,285.93	48	New Construction of 48 family units. 5 units at 20% AMI, 43 units at 60% AMI	\$ 940,285.00	11/25/2025	4/10/2025	
21	9/22/2023	2021	9%/Act 88	21060	Riley at Overbrook	Greenville	Greenville	Drew Schaumber, Schaumber Development, LLC	\$ 1,201,279.61	88	New Construction of 88 family units. 9 units at 20% AMI, 4 units at 30% AMI, 6 units at 50% AMI, 69 units at 60% AMI	\$ 1,201,279.00	12/2/2025	3/31/2025	
Total Awarded:									\$ 31,356,163.07		Total Issued:				\$ 30,827,781.00

SECTION 12-6-3795. South Carolina housing tax credit.

(A) As used in this section:

(1) "Eligibility statement" means a statement authorized and issued by the South Carolina State Housing and Finance Development Authority certifying that a given project qualifies for the South Carolina housing tax credit, including any preliminary determination thereof.

(2) "Federal housing tax credit" means the federal tax credit as provided in Section 42 of the Internal Revenue Code of 1986, as amended.

(3) "Median income" means those incomes that are determined by the federal Department of Housing and Urban Development guidelines and adjusted for family size.

(4) "Project" means a housing project that has restricted rents that do not exceed thirty percent of income for at least forty percent of its units occupied by persons or families having incomes of sixty percent or less of the median income, or at least twenty percent of the units occupied by persons or families having incomes of fifty percent or less of the median income.

(5) "Qualified project" means a qualified low-income building as that term is defined in Section 42 of the Internal Revenue Code of 1986, as amended, that is located in South Carolina and receives approval for tax credits from the South Carolina Housing and Finance Development Authority provided pursuant to this section.

(6) "Taxpayer" means a sole proprietor, partnership, corporation of any classification, limited liability company, or association taxable as a business entity that is subject to South Carolina taxes pursuant to Section 12-6-510, Section 12-6-530, Chapter 11, Title 12, or Chapter 7, Title 38.

(7) "Federal 9 percent tax credit" means the federal housing tax credit described in Section 42(b)(1)(B)(i) of the Internal Revenue Code.

(8) "Federal 4 percent tax credit" means the federal housing tax credit described in Section 42(b)(1)(B)(ii) of the Internal Revenue Code.

(9) "Credit period" has the meaning defined in Section 42(f)(1) of the Internal Revenue Code.

(10) "State housing authority" means the South Carolina State Housing Finance and Development Authority.

(11) "Department of Revenue" means the South Carolina Department of Revenue.

(B)(1) A state tax credit pursuant to this section may be claimed against income taxes imposed by Section 12-6-510 or 12-6-530, bank taxes imposed pursuant to Chapter 11, Title 12, corporate license fees imposed pursuant to Chapter 20, Title 12, and insurance premium and retaliatory taxes imposed pursuant to Chapter 7, Title 38, to be termed the South Carolina housing tax credit, and is allowed with respect to each qualified project placed in service after January 1, 2020, and before December 31, 2030, in an amount not to exceed the federal housing tax credit allowed with respect to such qualified project, subject to the limitations of item (5). In computing a tax payable by a taxpayer pursuant to Section 38-7-90, the credit allowed pursuant to this section must be treated as a premium tax paid pursuant to Section 38-7-20.

(2)(a) If under Section 42 of the Internal Revenue Code of 1986, as amended, a portion of any federal housing tax credit taken on a project is required to be recaptured, the taxpayer claiming any South Carolina housing tax credit with respect to such project also is required to recapture a portion of any South Carolina housing tax credit authorized by this section. The state recapture amount is equal to the proportion of the South Carolina housing tax credit claimed by the taxpayer that equals the proportion the federal recapture amount bears to the original federal housing tax credit amount subject to recapture.

(b) In the event that recapture of any South Carolina housing tax credit is required, any return submitted to the Department of Revenue, as provided in this section, shall include the proportion of the South Carolina housing tax credit required to be recaptured, the identity of each taxpayer subject to the recapture, and the amount of South Carolina housing tax credit previously allocated to such taxpayer. Any recapture of the South Carolina housing tax credit is reported in the same manner as any recapture of the federal housing tax credit.

(3) The total amount of the South Carolina housing tax credit allowed by this section for a taxable year may not exceed the taxpayer's income tax liability. Any unused South Carolina housing tax credit may be

carried forward to apply to the taxpayer's next five succeeding years' tax liability. The taxpayer may not apply the credit against any prior tax years' tax liability.

(4) The South Carolina housing tax credit and any recaptured tax credit, must be allocated among some or all of the partners, members, or shareholders of the entity owning the project in any manner agreed to by such persons, regardless of whether such persons are allocated or allowed any portion of the federal housing tax credit with respect to the project.

(5)(a) The South Carolina housing tax credit allowed for any project must supplement but not supplant the federal housing tax credit and must be limited to an amount necessary only to achieve financial feasibility of the project.

(b) The total amount of all South Carolina housing tax credits that may be allocated in any calendar year must not exceed twenty million dollars, plus the total of all unallocated tax credits, if any, for any preceding years, and the total amount of any previously allocated tax credits that have been recaptured, revoked, canceled, or otherwise recovered but not otherwise reallocated.

(c) Of the dollar limitation prescribed in subitem (b), the total amount of South Carolina housing tax credits allocated to qualified projects utilizing the federal 9 percent tax credit must not exceed forty percent of the dollar limitation prescribed in subitem (b). Of the South Carolina housing tax credits allocated to qualified projects utilizing the federal 9 percent tax credit, no less than fifty percent of the South Carolina housing tax credits must be allocated to qualified projects located in an eligible rural area as designated by the United States Department of Agriculture, with the remainder allocated to (i) qualified projects serving older persons or persons with special needs, irrespective of rural eligibility criteria; (ii) qualified projects supporting workforce development as certified by the South Carolina Department of Commerce, irrespective of rural eligibility criteria; and (iii) other qualified projects, irrespective of rural eligibility criteria.

(d) Compliance with the dollar limitations of subitems (b) and (c) must be determined by the total amount of South Carolina housing tax credits allocated for one full year of the credit period applicable to each qualified project, and not the total amount of South Carolina housing tax credits allocated for the entire credit period applicable to each qualified project. Compliance with the dollar limitations of subitems (b) and (c) must be determined within each calendar year at the time the state housing authority makes a preliminary determination of any qualified project's eligibility for the South Carolina housing tax credit.

(e) In addition to the dollar limitation of subitem (b), allocation of any South Carolina housing tax credit to any qualified project utilizing the federal 4 percent tax credit is conditioned on among other things availability and allocation to the extent necessary for the qualified project of any state ceiling made pursuant to Article 3, Chapter 11, Title 1.

(C)(1) The state housing authority shall promulgate rules establishing criteria upon which the eligibility statements are issued which must include consideration of evidence of local support for the project. The eligibility statement must specify the amount of the South Carolina housing tax credit allowed, and must include: (i) the annual amount of South Carolina housing tax credit allocated to the qualified project for each year of credit the period; and (ii) the total amount of South Carolina housing tax credit allocated to the qualified project for the entire credit period.

(2) The state housing authority may not issue an eligibility statement until the taxpayer provides a report to the state housing authority detailing how the South Carolina housing tax credit will benefit the tenants of the project, once placed in service, including without limitation, reduced rent, and why the South Carolina housing tax credit is essential to the financial feasibility of the project.

(3) The state housing authority must establish uniform criteria for allocating the South Carolina housing tax credit to eligible projects pursuant to a competitive process that promotes highest value and greatest public benefit. The state housing authority must establish the criteria required by this section as part of any qualified allocation plan adopted to administer the federal housing tax credit, which must include without limitation: (i) written notice by the state housing authority to the county and city within which any project is proposed to be located; (ii) following such notice, an opportunity for public comment on the proposed project at a public hearing conducted by the state housing authority no less than ten business days following notice of such public hearing, notification of which must be made by publication in a newspaper

of general circulation in the county and city within which the proposed project is to be located; and (iii) an opportunity for the county and the city within which the project is proposed to be located to provide comment within no less than ten business days following such public hearing. The criteria established pursuant to this section, and any qualified allocation plan, are subject to the prior review and comment of the Joint Bond Review Committee.

(4) The state housing authority must furnish no later than January thirty-first of each year an annual report of South Carolina housing tax credits allocated pursuant to this section, which must include for the preceding calendar year the total amount of South Carolina housing tax credits allocated, and for each project, the project name and location, the amount of the South Carolina housing tax credits allocated to the project, project ownership, total number of units assisted, and the public benefit achieved by the project. The annual report must be furnished to the President of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, the Chairman of the House of Representatives Ways and Means Committee, the Joint Bond Review Committee, and the State Fiscal Accountability Authority.

(D) The Department of Revenue, in consultation with the state housing authority, may adopt rules and policies necessary to implement and administer the provisions of this section; provided, however, that the state housing authority has the responsibility for: (i) allocation and administration of the South Carolina housing tax credit; and (ii) ensuring that the limits prescribed by subsection (B)(5)(b) and (c) are not exceeded.

(E) Notwithstanding any other provision of law, the provisions of this section and administration thereof are subject to the oversight, and review and comment as appropriate, of the Joint Bond Review Committee.

HISTORY: 2020 Act No. 137 (H.3998), Section 2, eff May 14, 2020; 2022 Act No. 202 (H.5075), Section 1.A, eff May 16, 2022.

Editor's Note

2020 Act No. 137, Sections 1 and 4, provide as follows:

"SECTION 1. This act may be cited as the 'Workforce and Senior Affordable Housing Act'."

"SECTION 4. This act takes effect upon approval by the Governor and first applies to qualified projects that receive an eligibility statement pursuant to Section 12-6-3795 thereafter."

2022 Act No. 202, Sections 1.B, 1.C, provide as follows:

"[SECTION 1.]B. 1. Notwithstanding the limitations prescribed by Section 12-6-3795(B)(5)(b), (c), and (d) in SECTION 1. A., the General Assembly hereby provides a one-time authorization of South Carolina housing tax credits in an amount necessary but not exceeding one hundred million dollars for qualified projects approved before December 31, 2021, by the State Fiscal Accountability Authority or the South Carolina State Housing and Finance Development Authority, as applicable. Any allocations of South Carolina housing tax credits made pursuant to this provision are subject to the review and comment of the Joint Bond Review Committee. No later than thirty days following enactment hereof, the South Carolina State Housing and Finance Development Authority must identify and report to the President of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, the Chairman of the House of Representatives Ways and Means Committee, the Joint Bond Review Committee, and the State Fiscal Accountability Authority all qualified projects to which this one-time authorization of South Carolina housing tax credits is proposed to apply. The report must be made in such form and substance as may be directed by the Joint Bond Review Committee. Nothing in this provision grants any rights to, or in the processes used in the determination of, allocation of this one-time authorization of South Carolina housing tax credits. Decisions made pursuant to this provision are final and are not subject to judicial or administrative review.

"2. This subsection B takes effect upon approval by the Governor.

"C. This SECTION takes effect upon approval by the Governor and first applies to tax years beginning after 2021."

2023 Act No. 88, provides as follows:

"Whereas, Act 137 of 2020 amended the South Carolina Code to enact the "Workforce and Senior Affordable Housing Act" by adding Section 12-6-3795 so as to allow a taxpayer eligible for the Federal Housing Tax Credit to claim a South Carolina Housing Tax Credit; and

"Whereas, following the enactment of Act 137 of 2020 and through December 31, 2021, preliminary determinations of eligibility for the South Carolina Housing Tax Credit totaled approximately \$100 million annually and approximately \$1 billion for the ten-year term of the South Carolina Housing Tax Credit, far exceeding the estimated fiscal impact on the general fund at the time of enactment of approximately \$2.1 million annually and \$20.6 million for the ten-year term of the South Carolina Housing Tax Credit; and

"Whereas, following study and a determination that the actual fiscal impact of the South Carolina Housing Tax Credit on the general fund was not sustainable, Act 202 of 2022 amended Section 12-6-3795 to, among other things, limit the South Carolina Housing Tax Credit; and

"Whereas, Section 1.B.1 of Act 202 of 2022 provided for a one-time authorization of South Carolina Housing Tax Credits in an amount necessary but not exceeding \$100 million dollars to ratify amounts reflected in preliminary determination statements for qualified projects approved before December 31, 2021, with any allocations of South Carolina Housing Tax Credits made pursuant to this provision subject to the review and comment of the Joint Bond Review Committee; and

"Whereas, in accordance with Section 1.B.1 of Act 202, the South Carolina State Housing Finance and Development Authority provided a report to, among others, the Joint Bond Review Committee identifying all qualified projects to which the \$100 million one-time authorization provided in Section 1.B.1 of Act 202 of 2022 was proposed to apply; and

"Whereas, on August 23, 2022, the Joint Bond Review Committee determined that the amount of South Carolina Housing Tax Credits applicable to projects qualified for the one-time authorization provided pursuant to Section 1.B.1 of Act 202 of 2022 was \$87,110,848; and

"Whereas, it has been asserted that escalations in costs of construction and materials, increases in interest rates, and other factors have negatively impacted the financial feasibility of certain projects to the extent that such projects face a threat that they cannot be completed in the absence of supplemental funding; and

"Whereas, there remains available \$12,889,152 in South Carolina Housing Tax Credits pursuant to the one-time authorization provided in Section 1.B.1 of Act 202 of 2022; and

"Whereas, there remains available for the tax year ending December 31, 2023, a total of \$16,916,877 in South Carolina Housing Tax Credits, comprised of the amounts of \$6,726,825 and \$10,190,052 for allocation pursuant to Section 12-6-3795 to qualified projects utilizing the federal four percent tax credit and the federal nine percent tax credit, respectively; and

"Whereas, there is available no less than \$25 million in undesignated funding held in the South Carolina Housing Trust Fund established pursuant to Article 4, Chapter 13, Title 31 of the South Carolina Code. Now, therefore,

"Be it enacted by the General Assembly of the State of South Carolina:

"SECTION 1. The General Assembly hereby provides a one-time authorization of South Carolina Housing Tax Credits pursuant to and for the purposes described in this joint resolution in an amount necessary but not exceeding \$29,806,029, comprised of \$12,889,152 remaining available from the one-time authorization of South Carolina Housing Tax Credits provided in Section 1.B.1 of Act 202 of 2022, and a total of \$16,916,877 remaining available for allocations for the tax year ending December 31, 2023, pursuant to Section 12-6-3795. In addition to the foregoing, the General Assembly hereby authorizes pursuant to and for the purposes described in this joint resolution an amount necessary but not exceeding \$25,000,000 from the undesignated balance held in the South Carolina Housing Trust Fund established pursuant to Article 4, Chapter 13, Title 31 of the South Carolina Code, as nonrecurring, one-time funding, and not as South Carolina Housing Tax Credits. No later than June 30, 2023, the State Housing Finance and Development Authority must develop a plan to allocate the South Carolina Housing Tax Credits and nonrecurring, one-time funding made available pursuant to this joint resolution as supplemental financial support to certain multifamily housing projects that had by March 31, 2023, received a tentative allocation of South Carolina Housing Tax Credits pursuant to Act 202 of 2022. The plan, and any project allocations proposed thereunder, must be submitted to the Joint Bond Review Committee for review and comment prior to

awarding any South Carolina Housing Tax Credits or nonrecurring, one-time funding made available pursuant to this joint resolution.

"SECTION 2. The plan must be provided in such form and substance as the Joint Bond Review Committee may prescribe, and must include for each project, the project name and location; the amount of any South Carolina Housing Tax Credits, state ceiling, or both, previously allocated to the project; project ownership; the total number of units assisted; any supplemental South Carolina Housing Tax Credits or nonrecurring, one-time funding proposed to be made available to the project pursuant to this joint resolution; and any supplemental amount of state ceiling, if any, proposed for allocation to the project. The plan must further include for each project a disclosure of every affiliate or other related legal entity having a direct or beneficial interest in the development of the project.

"SECTION 3. Any supplemental South Carolina Housing Tax Credits or nonrecurring, one-time funding made available pursuant to this joint resolution must be limited to the amount necessary to provide supplemental financial support to projects that (1) are under construction; and (2) have demonstrated independently verified costs exceeding original estimates as a consequence of escalations in costs of construction and materials, increases in interest rates, and such other extenuating factors as may be recommended by the State Housing Finance and Development Authority, subject to the review and comment of the Joint Bond Review Committee; provided, however, that no single project may receive an allocation of more than the lesser of (1) the actual amount of South Carolina Housing Tax Credits and nonrecurring, one-time funding made available pursuant to this joint resolution necessary to achieve financial feasibility of the project based on the independently verified costs exceeding the original estimate for the project; or (2) twenty percent of the South Carolina Housing Tax Credit reflected on the eligibility statement, as defined in Section 12-6-3795(A)(1), previously furnished for the project by the State Housing Finance and Development Authority; further provided, however, that the State Housing Finance and Development Authority may recommend, subject to the review of the Joint Bond Review Committee, a de minimus adjustment not exceeding five percent beyond the limitations of this SECTION to promote financial feasibility of the project in marginal circumstances. Project sponsors must have requested consideration of and provided justification for any costs in excess of original estimates to the State Housing Finance and Development Authority no later than March 31, 2023.

"SECTION 4. The plan must conform with such provisions of the Qualified Allocation Plan and the State Ceiling Allocation Plan as the State Housing Finance and Development Authority may recommend to be applicable to any supplemental South Carolina Housing Tax Credits or nonrecurring, one-time funding made available pursuant to this joint resolution; provided, however, that priority must be given to projects with highest rates of completion and earliest dates that the projects are expected to be placed in service.

"SECTION 5. Nothing in this joint resolution grants any rights to, or in the processes used in, the determination of any South Carolina Housing Tax Credits or nonrecurring, one-time funding made available pursuant to this joint resolution.

"SECTION 6. The State Housing Finance and Development Authority may require, as a condition of any supplemental South Carolina Housing Tax Credits or nonrecurring, one-time funding made available pursuant to the plan required by SECTION 1 and this joint resolution, an agreement from the project sponsor that the South Carolina Housing Tax Credits and any nonrecurring, one-time funding allocated to the project are deemed final, without recourse.

"SECTION 7. Any unallocated South Carolina Housing Tax Credits and nonrecurring, one-time funding made available pursuant to this joint resolution may be carried forward for allocation beyond the current tax year ending December 31, 2023, provided the unallocated South Carolina Housing Tax Credits and nonrecurring, one-time funding are limited to the purposes and subject to the provisions of this joint resolution.

"SECTION 8. The allocation requirements of Section 12-6-3795(B)(5)(c) are suspended for the tax year ending December 31, 2023.

"SECTION 9. The provisions of Article 4, Chapter 13, Title 31 of the South Carolina Code are suspended in the amount of \$25 million for the tax year ending December 31, 2023, and beyond December 31, 2023, but only to the extent of any amounts carried forward pursuant to SECTION 7 of this joint resolution.

"SECTION 10. In addition to the other amounts made available by this joint resolution, the General Assembly hereby authorizes the State Housing Finance and Development Authority to allocate an amount necessary but not exceeding fifty percent of the federal low-income housing tax credit allocated to this State for the tax year ending December 31, 2023, as supplemental financial support to certain multifamily housing projects utilizing federal nine percent tax credits as defined in Section 12-6-3795(A)(7) that had by March 31, 2023, requested consideration of and provided justification for any costs in excess of original estimates to the State Housing Finance and Development Authority. Any allocations of federal tax credits made pursuant to this SECTION must be included and coordinated within the plan required pursuant to SECTION 1, and are subject to, without limitation, the same requirements, determinations, limitations, and other provisions as are applicable to the State Housing Tax Credits included in SECTIONS 1 through 7 of this joint resolution.

"SECTION 11. This joint resolution takes effect upon approval by the Governor."

Effect of Amendment

2022 Act No. 202, Section 1.A, rewrote the section, providing a one-time authorization of South Carolina housing tax credits for certain projects approved before 2022.

AGENCY: SFAA Insurance Reserve Fund

SUBJECT: Insurance Rates

The Insurance Reserve Fund (IRF) has as its mission the provision of property and liability insurance coverage at the lowest possible cost for its insureds. The IRF has worked diligently to avoid rate increases. The last rate increase was implemented beginning July 1, 2025.

IRF has received the actuarial recommendation for a rate increase in Property, Tort Liability and Medical Professional Liability, Automobile Liability, and Automobile Physical Damage/Comprehensive and Collision.

The actuaries have determined the need for a rate increase to multiple lines as outlined on the chart below, to become effective beginning July 1, 2026.

IRF staff will be available to brief the Authority on the rate increase recommendation.

Rate Increase Percentages For Insurance Lines

Insurance Line	Rate Increase %
Total Property * Business Interruption (B) (optional coverage) 167%	1.9
Auto Comprehensive & Collision (C)	15.0
General Tort Liability (T) Optional Pre-Paid Legal	12.0 0.0
Auto Liability (L) School Bus Liability (S) activity buses	40.0 12.0
Professional Medical Liability (P)	10.0
Underground Storage Tank Liability (U)	0.0

AUTHORITY ACTION REQUESTED:

Approve the recommended increases.

ATTACHMENTS:

Agenda item worksheet and attachment

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 31, 2026

Regular Session

1. Submitted by:

(a) Agency:

SFAA Insurance Reserve Fund

(b) Authorized Official Signature:

Ann Macomber

*

2. Subject: Insurance Rates

3. Summary.

The Insurance Reserve Fund (IRF) has as its mission the provision of property and liability insurance coverage at the lowest possible cost for its insureds. The IRF has worked diligently to avoid rate increases. The last rate increase was implemented beginning July 1, 2025.

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Rate Increase Percentages For Insurance Lines

Insurance Line	Rate Increase %
Total Property	1.9
_ * Business Interruption (B) (optional coverage) 167%	
Auto Comprehensive & Collision (C)	15.0
General Tort Liability (T)	12.0
Optional Pre-Paid Legal	0.0
Auto Liability (L)	40.0
School Bus Liability (S) activity buses	12.0
Professional Medical Liability (P)	10.0
Underground Storage Tank Liability (U)	0.0

4. What is the Authority asked to do? Approve the recommended increases.

5. What is recommendation of Board Division involved? Approve the recommended increases.

6. Recommendation of other office (as required)?

(a) Authorized Signature: _____

(b) Office Name: _____

7. Supporting Documents:

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF March 31, 2026

ITEM NUMBER 11

AGENCY: State Fiscal Accountability Authority

SUBJECT: Future Meeting

The next regular meeting of the State Fiscal Accountability Authority will be held at 2:00 p.m. on Tuesday, June 16, 2026, in Room 252, Edgar A. Brown Building.

AUTHORITY ACTION REQUESTED:

Agree to meet at 2:00 p.m. on Tuesday, June 16, 2026, in Room 252, Edgar A. Brown Building.

ATTACHMENTS: