

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, February 4, 2020 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

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STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, February 4, 2020 -- 9:30 A.M.

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STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF February 4, 2020

REGULAR SESSION
ITEM NUMBER 1

AGENCY: South Carolina State University

SUBJECT: Request to Remove Procurement Limitation

On April 30, 2014, the Budget and Control Board (now the State Fiscal Accountability Authority) adopted a resolution approving an interagency loan agreement dated May 22, 2014, to South Carolina State University (SCSU) to assist in meeting its financial obligations. (The resolution and loan agreement are attached.) The resolution and loan agreement placed several requirements upon SCSU that included obtaining prior approval of the Division of Procurement Services before posting a solicitation for or execute, amend, renew, or otherwise extend a contract greater than \$2500.00. By way of a letter (see attached) dated January 16, 2020, SCSU requested that the Authority remove or revise the procurement limitation placed upon it by the resolution and loan agreement.

AUTHORITY ACTION REQUESTED:

Approve South Carolina State University's request to remove or revise the procurement limitation placed upon it by the April 30, 2014, Budget and Control Board resolution and May 22, 2014, loan agreement.

ATTACHMENTS:

Adams 5/2/14 letter with resolution; Inter-agency Loan Agreement dated 5/22/14; Clark 1/16/20 letter

NIKKI HALEY, CHAIRMAN
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

Office of the Executive Director
Marcia S. Adams

(803) 734-2320 • Phone
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HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE
COMMITTEE

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

May 2, 2014

The Honorable Thomas J. Elzey
President
South Carolina State University
300 College Street, NE
Orangeburg, South Carolina 29117

Re: Interagency Loan Resolution – South Carolina State University

Dear President Elzey:

As you are aware, the Budget and Control Board ("B&CB") adopted the enclosed resolution at its April 30, 2014, board meeting approving an interagency loan to South Carolina State University ("University") pursuant to S.C. Code Ann. Section 11-9-240. Prior to the execution of a loan agreement and the release of funds to the University, the resolution sets out several tasks that must be completed. As the resolution provides that no funds may be released to the University after June 30, 2014, it is imperative that the University and the staff of the B&CB undertake their assigned tasks without delay. While the appropriate University staff has been provided with copies of the resolution and staffs from both the B&CB Procurement Services Division and the State Budget Division have met in Orangeburg with University staff, I am providing the information below to help facilitate the University's efforts to complete its required tasks.

- I. It must be recognized that it is the intention of the B&CB, as expressed in the resolution, that state appropriated South Carolina State University Public Service Activities funds ("1890 funds") be used as the source of the loan to the extent possible. The resolution requires the University to take several steps by May 14, 2014, to determine whether all or any part of these funds can be used as a source for the loan. To accomplish this, the University must:
 - A. Identify the match requirements (by year and in total) including any waivers of the match granted by the United States Department of Agriculture ("USDA");
 - B. Have the USDA confirm the amount of money required for the state's match for each year;
 - C. Determine exactly how much money has been expended towards the required match for each year of the grant. This includes a determination of funds expended on grant related goods, services, programs, etc. by the PSA, the University and any PSA partners (such as county governments);
 - D. Distinguish between funds forming part of a required match and yet to be expended and funds which were appropriated in excess of any required match and yet to be expended;
 - E. Reconcile the University's findings from tasks A through D above with the State Inspector General's determinations as set out in his April 8, 2014, report;

- F. Related to funds which are determined to be necessary match funds, ask the USDA if the University can borrow from the funds, with the funds to be repaid pursuant to the terms of the loan agreement contemplated in the B&CB resolution; and,
 - G. Provide written daily updates to the Director of the State Budget Division regarding the University's communications with USDA.
- II. The University must develop an overall plan for use of the loan proceeds and set forth a list of spending priorities for loan proceeds. This requires the University to:
- A. Provide to the State Budget Division analysis and documentation showing the University's revenue and/or cash flow and expenditures. The University must also provide analysis and documentation regarding whether the revenue and/or cash flow is sufficient to pay its debt service, payroll, and other critical operating expenses; and,
 - B. Develop and provide to the State Budget Division a detailed prioritized listing of vendors to be paid with loan proceeds and the proposed amounts of any such payments.
- III. As a prerequisite to the release of any loan funds, the resolution requires that the University's Board of Trustees have conflict of interest and anti-nepotism policies in place. The University must:
- A. Provide to the Director of the State Budget Division copies of conflict of interest and anti-nepotism policies applying to Board of Trustee members and University employees; and,
 - B. Ensure that the University's Board of Trustees adopts necessary policies, if none currently exists.
- IV. As a prerequisite to the release of any loan funds, the University must ensure that copies of any audited financial statements for the following entities have been provided to the Director of the State Budget Division for the last 3 fiscal years:
- A. The South Carolina State University Foundation, Inc.;
 - B. The South Carolina State University Advancement Foundation, Inc.; and,
 - C. The South Carolina State University Real Estate Foundation, Inc.
- V. As a prerequisite to the release of any loan funds, the University must ensure that the Boards of Trustees for the South Carolina State University Foundation, Inc., the South Carolina State University Advancement Foundation, Inc. and the South Carolina State University Real Estate Foundation, Inc. provide to the Director of the State Budget Division summaries of and access to records of any transactions between any of the foundations and:
- A. The University;
 - B. Current and former Trustees and employees of the University; or
 - C. Immediate family members of current and former Trustees and employees of the University;

To satisfy this prerequisite, the Boards of Trustees for the foundations may adopt resolutions pledging cooperation and appropriate access to records to the B&CB and its staff and the staffs of individual B&CB members. The B&CB's ability to release loan funds is restricted until the resolutions are adopted and tangible steps are taken to comply with the resolutions.

- VI. As a prerequisite to the release of any loan funds, the University must ensure that its Board of Trustees provides to the Director of the State Budget Division a written report setting forth any business relationships among or between the Trustees and their immediate family members and
- A. The University;
 - B. The South Carolina State University Foundation, Inc.;
 - C. The South Carolina State University Advancement Foundation, Inc.; or
 - D. The South Carolina State University Real Estate Foundation, Inc.

To satisfy this prerequisite, the Board of Trustees may adopt a resolution pledging that this written report will be provided in a timely manner. The B&CB's ability to release loan funds is restricted until the resolution is adopted and tangible steps are taken to comply with the resolution.

- VII. As a prerequisite to the release of any loan funds, the University must certify that it employs a "best practice" accounts receivable system to ensure that all payments owed to the University are collected in a prompt manner. The University can satisfy this prerequisite by providing:
- A. Evidence of the existence/adoption of a best practice accounts receivable system;
 - B. A description of the University's accounts receivable process;
 - C. A description of all tools/means used by the University to collect past due accounts receivable, including any means of debt collection provided for under state law.
- VIII. Both prior to and after the execution of the loan agreement and the release of funds to the University, the University must periodically update the Director of the State Budget Division of the University's accreditation status. The University must:
- A. Notify the Director of the State Budget Division in writing of its accreditation status on a monthly basis;
 - B. Notify the Director of the State Budget Division immediately (verbally and in writing) of any developments related to a material change in the University's accreditation status.
- IX. Prior to the University's expenditure of loaned funds to make payments to the University's vendors, the B&CB's Procurement Services Division must confirm the validity of the underlying contract for the particular vendor and the process through which the contract was procured or amended. This requirement does not apply to procurements of products and services procured under statewide contracts and accounts payable related to small purchases with spending levels of \$2,500.00 or less. As part of this process, the University must:
- A. Provide the B&CB's Procurement Services Division access to all contracts and relevant procurement documentation for applicable vendors;
 - B. Provide assurance that the University's revenues and cash flows are sufficient to meet its debt service, payroll, and other critical operating expenses so that loan proceeds can be paid to applicable vendors;
 - C. Provide a detailed list in order of priority of vendors to be paid with loan proceeds and the proposed amounts of any such payments; and,
 - D. Not solicit, execute, amend, renew or extend a contract without approval of the B&CB's Procurement Services Division until the loan is fully repaid. This provision does not apply to products and services procured under statewide contracts and small purchases with spending levels of \$2,500.00 or less.
- X. Pursuant to the resolution, the B&CB is required to retain consultants and/or auditors to help the University assess and improve its financial management and various operational, administrative and governance practices. Up to \$500,000 of the funds loaned must be used by the B&CB for this purpose. If the cost is less than \$500,000, the B&CB will return the excess to the agency supplying the funds for the loan. The following provisions relate to this requirement:

The Honorable Thomas J. Elzey
May 2, 2014
Page Four (4)

- A. The B&CB Procurement Services Division will be the client for any engagements necessary to retain or obtain people, firms, services, etc. and will thus determine the necessary expenditures therefore;
 - B. The B&CB Procurement Services Division will, with appropriate input from the University, determine the scope of services for any consultant and/or auditor retained or obtained;
 - C. The University will work with and provide necessary access to any consultant/auditor retained or obtained by the B&CB.
- XI. The University must be aware of the following terms and conditions which will be included in any loan agreement executed:
- A. No loan proceeds can be released by the B&CB to the University after June 30, 2014. (It is imperative that all prerequisites to the execution of the loan agreement or the release of the funds be performed without delay);
 - B. The loan must be repaid on or before June 30, 2015;
 - C. Interest will accrue on the loaned amount at a rate established by the State Treasurer;
 - D. The B&CB will draft a loan Agreement consistent with the terms of the resolution passed by the Budget and Control Board on April 30, 2014; and,
 - E. The balance of the loan can be called if the B&CB determines that the University is not making good faith efforts to comply with the conditions of the resolution and the loan agreement.

As you can see, there are numerous tasks which we (the University and the B&CB) must complete both prior to the release of funds to the University and over the life of the loan. The B&CB staff is committed to performing its duties in this regard and aiding the University in any way possible so that the loan can be executed expeditiously and the University can continue to focus on its core mission. Should you have any additional questions or concerns, do not hesitate to contact me.

Sincerely,



Marcia S. Adams
Executive Director

Enclosure (1)

CC: William Small, Jr., Chairman, S. C. State University - Board of Trustees
Members of the S. C. Budget and Control Board w/Enclosure

Resolution of the State Budget and Control Board

South Carolina State University Interagency Loan

S.C. Code Section 11-9-240 allows the Budget and Control Board, in its discretion, to borrow funds from any department of state government, with the written consent of the department, for the use of the State any surplus which may be on hand in the office of the State Treasurer to the credit of any such department.

South Carolina State University ("University") has notified the State Budget Division of an impending FY 2013-14 cash deficit of approximately \$13 million. The University indicates that it has an immediate need for additional funds to address this critical cash shortfall.

By this resolution and pursuant to Section 11-9-240, the Budget and Control Board authorizes a loan of up to \$6 million for the benefit of the University in order to meet that institution's obligations based upon the following prioritization:

1. Debt service and other secured obligations.
2. Payroll and other critical operating expenses.
3. Other accounts payable.

It is the intent of the Budget and Control Board that any and all state South Carolina State University Public Service Activities funds (otherwise known as state "1890 Funds") serve as the source of the loaned funds; the University must make best efforts to obtain the consent of the U.S. Department of Agriculture or other appropriate federal authority to use these funds for this purpose. The University must inform the Director of the State Budget Division of the progress of these discussions on a daily basis. In the event that the University is unable to obtain this determination by May 14, 2014, the loan shall instead be funded using excess state appropriations contained in Section F30, Budget and Control Board, Employee Benefits (See also Proviso 101.22). The loan may be partially funded using resources from each of the aforementioned accounts if the Director of the State Budget Division determines that a portion of 1890 Funds are not constrained by federal grant requirements or other conditions.

Funds shall be authorized for release to the University by the Director of the State Budget Division only after he certifies to the Budget and Control Board that the following policies, financial statements and/or resolutions have been received:

1. The Board of Trustees of the South Carolina State University has furnished a copy of the conflict of interest and anti-nepotism policies that apply to the board members and the University's employees. The Board of Trustees shall adopt an anti-nepotism policy for itself and the University's employees, if none currently exists.
2. The Boards of Trustees of the following entities have provided the Budget and Control Board with copies of any audited financial statements for at least the past three years in addition to summaries of and access to records of any transactions between the entities and any or all of (A) the South Carolina State University, (B) current or former Trustees and employees, or (C) members of the immediate families of current or former Trustees and employees. The governing Board of an identified entity may satisfy this condition by adopting and honoring a resolution pledging that it will cooperate with and provide access to these records to the Budget and Control Board, its staff, and the staff of the Budget and Control Board's individual members.
 - a. South Carolina State University Foundation, Inc.
 - b. South Carolina State University Advancement Foundation, Inc.
 - c. South Carolina State University Real Estate Foundation, Inc.

The Board of Trustees and members of their immediate families shall disclose any and all business relationships that such individuals may have with any entity conducting business with SC State University or any of the entities identified above.

3. The University must certify the existence of or adopt a best-practice accounts receivable system that ensures all payments owed to the University are collected in a prompt manner. In the event payments are overdue or not paid the University shall not delay in using every resource available to recover payment. This includes payment from students and vendors alike.
4. The University shall periodically update the Director of the State Budget Division and the Budget and Control Board on the status of, or any material developments in connection with, the University's accreditation status by the Southern Association of Colleges and Schools. If the University loses its accreditation, no further funds will be advanced until such time the Budget and Control Board determines and any funds loaned hereunder may immediately become due and payable in full, including accrued interest, at the Board's discretion.

Policies, financial statements and/or resolutions received by the Director of the State Budget Division pursuant to the above provision shall be reviewed as part of the consulting services contract referenced below.

Funds loaned to the University by virtue of this resolution shall not be used to make payments to any individual vendor until the Division of Procurement Services has confirmed the validity of the underlying contract and the process through which that contract was initially procured and extended or renewed, if applicable. Confirmation by the Division of Procurement Services is not necessary pursuant to this provision for products and services procured under statewide contracts, contracts solicited on behalf of the University by the Budget and Control Board and accounts payable related to small purchases with spending levels of \$2,500 or less.

Until the University has fully repaid this loan, the University shall not post a solicitation for or execute, amend, renew, or otherwise extend a contract without the prior approval of the Division of Procurement Services.

Up to \$500,000 of the funds loaned through this resolution shall be used for consulting/auditing services to help the University assess and improve its financial management and various operational, administrative and governance practices, including but not limited to finance and budgeting, information technology, procurement, and real estate and facilities management. The Budget and Control Board shall be considered the client for this engagement; the Division of Procurement Services shall manage the solicitation process. In order to facilitate this procurement, the University shall transfer to the Budget and Control Board the first \$500,000 of the funds released to it so that the Budget and Control Board can timely procure the necessary consulting/auditing services. Should the contract for these services procured pursuant to this provision cost less than \$500,000, the Budget and Control Board shall return the excess to the Treasurer to be credited to the department whose money was used in making the loan. Notwithstanding any other provision of this resolution, the Budget and Control Board may permit a portion of this \$500,000 to be used for temporary employees.

At the discretion of the Director of the State Budget Division, funds loaned to the University may be released in installments. No funds shall be released to the University under authority of this resolution after June 30, 2014, although the other provisions of this resolution shall remain in effect.

It is the intent of the Budget and Control Board that the University shall repay this loan in level annual installments ending no later than the close of Fiscal Year 2014-15. The University shall repay the loan with interest at a rate established by the State Treasurer pursuant to Section 11-9-250 (2011). The University may repay the loan in full at any time by paying the outstanding principal and accrued interest.

The University will seek appropriations from the General Assembly to repay this loan. The University will repay this loan in full from any funds appropriated or otherwise available. The University's obligation to repay the loan will be absolute and unconditional and such repayment will not be contingent or conditioned on receipt of any appropriated funds or proceeds from any other source.

A loan agreement among the University, the Budget and Control Board and the department whose money was used in making the loan will be executed prior to any money being released to the University. The loan agreement will incorporate, either expressly or by inference, the provisions of this resolution and any other terms and conditions deemed necessary by the parties.

The Budget and Control Board may immediately call the balance of the loan if it determines that the University is not making good faith efforts to comply with the provisions of this resolution.

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND) INTER-AGENCY AGREEMENT

This Agreement is entered this 22nd day of May, 2014, between and among the South Carolina State University (hereinafter "University"), a State institution of higher education created by S. C. Code Ann. § 59-127-10 *et seq.*, the State Budget and Control Board (hereafter "Board"), and the South Carolina State University Public Service Activities (hereinafter "PSA"). The Agreement among the parties is authorized pursuant to S. C. Code Ann. §§ 11-9-230; 11-9-240; 11-9-250; 11-9-260 (2011).

1. The University has notified the Office of State Budget of an impending FY 2013-14 cash deficit of approximately \$13,000,000.00. The University indicates that it has an immediate need for additional funds to address this critical cash shortfall. This shortfall affects the University's ability to make debt service and other payments for secured obligations, make payroll and make payments towards accounts payable owing to various vendors of the University. By resolution at its April 30, 2014 meeting ("the interagency loan resolution"), and pursuant to Section 11-9-240, the Budget and Control Board authorized a loan of up to \$6,000,000.00 for the benefit of the University in order to meet that institution's obligations. There have been identified two (2) possible sources of funds which may be available for loan.

(A) The PSA operates as a separately funded entity from the University. There exist over \$6,000,000.00 in state funds appropriated to the PSA to serve as the matching requirement for the Federal 1890 grant program ("1890 funds") that have yet to be expended. A portion of those 1890 funds appear to be in excess of any match required by the terms of the Federal 1890 grant program. The University agrees to make best efforts to determine the amount of state

appropriated funds in excess of any required federal match for the 1890 grant program which may, therefore, be available as surplus and subject to being loaned to the University pursuant to Section 11-9-240. The University also agrees to seek the United States Department of Agriculture's permission, on behalf of the PSA, to authorize a loan to the University of the yet to be expended 1890 funds, regardless of their status as excess above the necessary match amount.

(B) For the fiscal year ending June 30, 2014, there exist excess state appropriations in the account described in the 2013 Appropriations Act as Section F30, Budget and Control Board, Employee Benefits ("Section F30 Account") under the control and discretion of the Executive Director of the Budget and Control Board. The Budget and Control Board through the interagency loan resolution authorized a portion of the excess state appropriations in the Section F30 Account to be loaned to the University pursuant to Section 11-9-240. Pursuant to the interagency loan resolution, the amount loaned from this account shall not exceed the difference between the amount of 1890 funds available for loan referred to in Paragraph 1(A) above and \$6,000,000.00

2. In order to facilitate the business of the State and subject to the terms and conditions of this Agreement as set out herein and pursuant to the terms and conditions of the inter agency loan resolution, the Board agrees to borrow and the PSA agrees to loan an amount not to exceed \$6,000,000.00 of the 1890 funds described in paragraph 1(A) above, conditioned on a determination that such funds are available, to lend to the University to assist with the University's immediate need for funds to cover expenses related to its debt service and other secured obligations, its payroll and its accounts payable owing to various vendors. Should it be

determined that the 1890 funds described in paragraph 1(A) are unavailable or insufficient to cover an approved release of funds to the University, the Board agrees to borrow the necessary amount from the excess state appropriations contained in the Section F30 Account described in paragraph 1(B) above. The amount borrowed from the Section F30 Account will be determined by the Executive Director in her discretion, but in no case will the amount exceed the difference between the amount of 1890 funds available for loan referred to in Paragraph 1(A) above and \$6,000,000.00

3. The funds so loaned by the Board and received by the University shall be applied by the University in order to meet that institution's obligations based upon the following prioritization:

- A. Debt service and other secured obligations.
- B. Payroll and other critical operating expenses.
- C. Other accounts payable.

4. No Funds shall be released to the University unless the Director of the State Budget Division certifies to the Board that the following policies, financial statements, affirmations and/or resolutions have been received by him:

A. A copy of the conflict of interest and anti-nepotism policies that apply to the board members and the University's employees. The Board of Trustees shall adopt an anti-nepotism policy if none currently exists.

B. The Boards of Trustees of the following entities have provided copies of any audited financial statements for at least the past three years in addition to summaries of and access to records of any transactions between the entities and any or all of (1) the South Carolina State University, (2) current and former Trustees and employees of the

University, or (3) immediate family members of current and former Trustees and employees of the University.

- i. South Carolina State University Foundation, Inc.
- ii. South Carolina State University Advancement Foundation, Inc.
- iii. South Carolina State University Real Estate Foundation, Inc.

The Board of Trustees of an identified entity may satisfy this condition by adopting and honoring a resolution pledging that it will cooperate with and provide access to these records to the Board, its staff, and the staff of Board's individual members.

C. The University has provided a written affirmation of the existence/adoption of a best-practice accounts receivable system that ensures all payments owed to the University are collected in a prompt manner. In the event payments are overdue or not paid, the University shall not delay in using every resource available to recover payment. This includes payment from students and vendors alike.

5. The University shall periodically update the Director of the State Budget Division and the Budget and Control Board in writing on the status of, or any material developments in connection with, the University's accreditation status by the Southern Association of Colleges and Schools. If the University loses its accreditation, no further funds will be advanced until such time the Budget and Control Board determines and any funds loaned hereunder may immediately become due and payable in full, including accrued interest, at the Board's discretion.

6. Funds loaned to the University pursuant to this Agreement shall not be used to make payments to any individual vendor until the Board's Division of Procurement Services has confirmed the validity of the underlying contract and the process through which that contract was

initially procured, amended, extended or renewed, if applicable. Confirmation by the Division of Procurement Services is not necessary for products and services procured under statewide contracts, contracts solicited on behalf of the University by the Board and accounts payable related to small purchases with spending levels of \$2500.00 or less. Until the University has fully repaid this loan, the University shall not post a solicitation for or execute, amend, renew, or otherwise extend a contract without the prior approval of the Division of Procurement Services.

7. Up to \$500,000 of the funds loaned through this Agreement shall be used for consulting/auditing services to help the University assess and improve its financial management and various operational, administrative and governance practices, including but not limited to finance and budgeting, information technology, procurement, and real estate and facilities management. The Budget and Control Board shall be considered the client for this engagement; the Division of Procurement Services shall manage the solicitation process. In order to facilitate this procurement, the University shall transfer to the Budget and Control Board the first \$500,000 of the funds released to it so that the Budget and Control Board can timely procure the necessary consulting/auditing services. Should the contract for these services procured pursuant to this provision cost less than \$500,000, the Budget and Control Board shall return the excess to the Treasurer to be credited to the department whose money was used in making the loan. Notwithstanding any other provision of this Agreement, the Budget and Control Board may permit a portion of this \$500,000 to be used for temporary employees.

8. At the discretion of the Executive Director of the Board, the funds loaned may be made available to the University in installments upon such schedule as is determined to be appropriate with necessary input from the University. It is understood that, pursuant to her discretion, the Executive Director of the Board has determined that two (2) installments shall be

released on or before Friday May, 23, 2014: the first installment will be a direct transfer to the Board of \$500,000.00 in satisfaction of the provisions of Paragraph 7 above; and, the second installment will be released to the University to cover the projected shortfall in meeting the University's payroll for May 31, 2014 and will be based upon the cash flow projections provided by the University. Remaining installments, if any, shall be upon such schedule as is determined in the discretion of the Executive Director of the Board with necessary input from the University. No funds shall be released to the University under authority of this Agreement and the interagency loan resolution upon which it is based after June 30, 2014, although the other provisions of this Agreement and corresponding interagency loan resolution shall remain in effect.

9. The University shall repay this loan no later than the close of Fiscal Year 2014-15, unless this repayment date is amended in writing by the parties. The University shall repay the loan with interest at a rate established by the State Treasurer pursuant to Section 11-9-250 (2011). Interest shall accrue on the unpaid principal balance of the loan from the date of any disbursement until paid in full. The University may repay the loan in full at any time by paying the outstanding principal and accrued interest. Notwithstanding the foregoing, the Board may demand the repayment of this note at any time upon notification to the University.

10. The University will seek appropriations from the General Assembly to repay this loan. The University will repay this loan in full from any funds appropriated or otherwise available. The University pledges and commits all available revenue and funds for the repayment of this obligation. The University hereby acknowledges and agrees that its obligation to repay the loan is absolute and unconditional, and such repayment is not contingent or conditioned on receipt of any appropriated funds or proceeds from any other source.

11. If the University does not make a payment within ninety (90) days after the scheduled date for that payment or within ninety (90) days after the date of a demand notification pursuant to Section 9 of this Agreement, the Board may require the immediate payment of the entire unpaid balance, as well as any interest accruing on any delinquent payments, and may pursue any available remedies, including but not limited to, the statutory intercept remedies (e.g., Sections 11-9-75 and 11-9-95 (2011)).

12. Repayment of this loan shall be solely the responsibility of the University and the Board will not under any circumstances become liable for the University's failure to repay either 1890 funds or funds loaned from the Section F30 Account pursuant to this Agreement.

13. The terms and conditions of the interagency loan resolution upon which this Agreement is based are incorporated herein as if repeated verbatim.

14. Should any term or condition of this Agreement remain unfulfilled by the University after June 30, 2015, the authority granted to the Board herein shall devolve upon the State Fiscal Accountability Authority as created by the South Carolina Restructuring Act of 2014.

15. Neither this Agreement nor the loan shall constitute a general obligation of the State of South Carolina.

16. The State Treasurer shall hold in custody the original of this Agreement until the loan has been paid in full. A copy of this Agreement shall be maintained by the Board as part of its official records. Upon payment of the loan in full, the State Treasurer shall mark the Agreement "PAID IN FULL" and deliver this original Agreement to be likewise maintained by the Board.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

Orangeburg, SC

May 22, 2014

BY: Thom J. Elzy
President, South Carolina State University

Columbia, SC

May 22, 2014

BY: Marcia L. Adams
Executive Director
State Budget & Control Board

Orangeburg, SC

5/22/14, 2014

BY: D. Gentry
Authorized Official,
South Carolina State University Public
Service Activities



South Carolina State University

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300 COLLEGE STREET, NORTHEAST
ORANGEBURG, SOUTH CAROLINA 29117-0001
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OFFICE OF THE PRESIDENT

FAX: (803) 533-3622

January 16, 2020

Mr. Grant Gillespie
Executive Director
State Fiscal Accountability Authority
P.O. Box 12444
Columbia, SC 29211

Dear Mr. Gillespie:

The \$6 million loan to South Carolina State University ("SC State University") in June 2014 has made a tremendous impact on the institution. I want to acknowledge the State of South Carolina for assisting the University during this difficult time. The terms of \$6 million loan mandated procurement oversight due to the University's financial crisis. Over the last three years, there were major financial improvements made. Based on such performance, we are requesting that the procurement limitation of \$2,500 be removed or revised to allow the University to benefit from the recent changes to the State of South Carolina Consolidated Procurement Code.

Since the installation of the new president, significant financial improvements have been achieved as well as other non-financial improvements.

Improvements were made in key financial metrics. Most important to note are:

YEAR	2015	2016	2017	2018
Payables	12,500,000	8,500,000	850,000	3,100,000

YEAR	2015	2016	2017	2018
Net Position	-10,300,000	-5,200,000	18,600,000	8,300,000

YEAR	2015	2016	2017	2018
UNAEP	-25,100,000	-17,700,000	200,000	8,600,000

Beginning in 2016, the University experienced enrollment increases for three consecutive years. Funds requested since 1993 were successfully employed toward construction of three (3) new facilities (the first new construction on campus in ten (10) years). The first use of 1890 facilities funds since 1993 was achieved to build the following:

- Campus Building - Initial approval 2001
- Camp Daniels Building - Initial approval 2002
- Charleston Building - Initial approval 2003

The new "RISE" campaign for Athletics fundraising has yielded commitments in excess of \$1.5M. The SC State University alumni have a renewed sense of confidence in the institution as evidenced by the record giving of \$1.2M.

SC State's prior challenges have been redirected as opportunities. The accomplishments made are examples of what is needed to prevent the previous year's numbers. Although there is more to do, progress made is evident. I want to again thank you for your assistance on behalf of SC State University.

Sincerely,

A handwritten signature in cursive script that reads "James E. Clark".

James E. Clark
President

Cc: Delbert Singleton
Teare Brewington

STATE FISCAL ACCOUNTABILITY AUTHORITY

MEETING OF February 4, 2020

REGULAR SESSION

ITEM NUMBER 2

AGENCY: Office of the State Auditor

SUBJECT: Auditors' Communications with Those Charged with Governance –
2019 Statewide Audit

Auditing standards require that at the conclusion of an audit of financial statement, the auditor communicate certain matters to those charged with governance. The attached communication addresses all matters required to be communicated related to the audit of statewide financial statements for the year ended June 30, 2019. The financial statements were issued with a report date of November 14, 2019, and are available on the Office of the State Audit 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 State with financial statements as information.

ATTACHMENTS:

Agenda item worksheet; Letter to Authority members dated November 14, 2019

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 4, 2020

Regular Agenda

1. **Submitted By:**

(a) Agency: Office of the State Auditor

(b) Authorized Official Signature:

George J. Kennedy, III

2. **Subject:** Auditors' Communications With Those Charged With Governance – 2019 Statewide Audit

3. **Summary Background Information:** Auditing standards require that at the conclusion of an audit of financial statements, the auditor communicate certain matters to those charged with governance. The attached communication addresses all matters required to be communicated related to the audit of statewide financial statements for the year ended June 30, 2019. The financial statements were issued with a report date of November 14, 2019 and are available on the Office of the State Auditor website at osa.sc.gov/reports.

4. **What is Authority asked to do?** Receive the communication as information. There is no planned presentation associated with this item.

5. **What is recommendation of the Agency involved?** That the members of the Authority receive the communication as information.

6. **Recommendation of other Division/Agency (as required)**

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. **List of Supporting Documents:** Letter to Authority members dated November 14, 2019.



CliftonLarsonAllen LLP
CLAconnect.com

November 14, 2019

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, 2019, and have issued our report thereon dated November 14, 2019. 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. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

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 are described in Note 1 of the financial statements.

As described in Note 2, the financial statements, for the year ended June 30, 2019, include the impact of the adoption of Governmental Accounting Standards Board Statement (GASB) numbers 83, *Certain Asset Retirement Obligations* and GASB 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*.

We noted no transactions entered into by the State 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, 2019, 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 claim payments made from inception through June 30, 2019 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.
- *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.

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.

Difficulties Encountered in Performing the Audit

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

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 did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected Misstatements

The attached schedule (Exhibit A) summarizes material misstatements detected as a result of audit procedures that were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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 requested certain representations from management that are included in the management representation letter dated November 14, 2019, attached at Exhibit B.

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 State'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, those 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 letter to you dated November 14, 2019, 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.

Other Information in Documents Containing Audited Financial Statements

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.

The Honorable Henry D. McMaster, Governor
Members of the State Fiscal Accountability Authority
and
Members of the General Assembly
State of South Carolina
Page 5

With respect to the supplementary information (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 November 14, 2019.

The introductory section and statistical section accompanying the financial statements, which are the responsibility of management, were prepared for purposes of additional analysis and are not a required part of the financial statements. Such information was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we did not express an opinion or provide any assurance on them.

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 the State of South Carolina, and is not intended to be and should not be, used by anyone other than these specified parties. Please contact George L. Kennedy, III, State Auditor, or Remi Omisore, Principal at CliftonLarsonAllen, LLP, if you have any questions regarding the matters included in this letter.



Columbia, South Carolina
November 14, 2019



Baltimore, Maryland
November 14, 2019

SUMMARY OF CORRECTED MISSTATEMENTS - AUDIT
State of South Carolina
Governmental Activities
Year Ended June 30, 2019

CORRECTED ADJUSTMENTS**Effect of misstatements on:**

Description				Net
	Assets	Liabilities	Fund Balance / Net Assets	Expense/Revenue and Change in Net Assets / Fund Balance
Accounts Receivable				
To correct overstatement	\$ (128,920,824)			\$ 128,920,824
Government-Wide Eliminations				
No net effect			-	-
Accrued Payroll				
To correct overstatement		(99,646,277)		99,646,277
Net current year misstatements (Iron Curtain Method)	(128,920,824)	(99,646,277)	-	228,567,101
Net prior year misstatements	-	-	-	-
Combined current and prior year misstatements (Rollover Method)	\$ (128,920,824)	\$ (99,646,277)	\$ -	\$ 228,567,101
Financial statement totals	<u>\$ 34,392,538,000</u>	<u>\$ 14,337,854,000</u>	<u>\$ 20,054,684,000</u>	<u>\$ 2,485,699,000</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	0%	-1%		9%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	0%	-1%		9%

SUMMARY OF CORRECTED MISSTATEMENTS - AUDIT
State of South Carolina
General Fund
Year Ended June 30, 2019

CORRECTED ADJUSTMENTS**Effect of misstatements on:**

Description	Assets	Liabilities	Fund Balance / Net Assets	Net Expense/Revenue and Change in Net Assets / Fund Balance
Accounts Receivable <i>To correct overstatement</i>	\$ (43,375,127)			\$ 43,375,127
Accrued Payroll <i>To correct overstatement</i>		(98,782,124)		98,782,124
Net current year misstatements (Iron Curtain Method)	(43,375,127)	(98,782,124)	-	142,157,251
Net prior year misstatements	-	-	-	-
Combined current and prior year misstatements (Rollover Method)	\$ (43,375,127)	\$ (98,782,124)	\$ -	\$ 142,157,251
Financial statement totals	<u>\$ 7,683,653,000</u>	<u>\$ 2,034,583,000</u>	<u>\$ 5,649,070,000</u>	<u>\$ 1,441,492,000</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	-1%	-5%		10%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	-1%	-5%		10%

SUMMARY OF CORRECTED MISSTATEMENTS - AUDIT

State of South Carolina
 Department Program Services
 Year Ended June 30, 2019

CORRECTED ADJUSTMENTS**Effect of misstatements on:**

Description	Assets	Liabilities	Fund Balance / Net Assets	Net Expense/Revenue and Change in Net Assets / Fund Balance
Accounts Receivable <i>To correct overstatement</i>	\$ (85,419,827)			\$ 85,419,827
Accrued Payroll <i>To correct overstatement</i>		(468,590)		468,590
Net current year misstatements (Iron Curtain Method)	(85,419,827)	(468,590)	-	85,888,417
Net prior year misstatements	-	-	-	-
Combined current and prior year misstatements (Rollover Method)	\$ (85,419,827)	\$ (468,590)	\$ -	\$ 85,888,417
Financial statement totals	<u>\$ 1,281,193,000</u>	<u>\$ 787,778,000</u>	<u>\$ 493,415,000</u>	<u>\$ 47,724,000</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	-7%	0%		180%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	-7%	0%		180%

SUMMARY OF CORRECTED MISSTATEMENTS - AUDIT
State of South Carolina
Non Major Fund
Year Ended June 30, 2019

CORRECTED ADJUSTMENTS**Effect of misstatements on:**

Description	Assets	Liabilities	Fund Balance / Net Assets	Net Expense/Revenue and Change in Net Assets / Fund Balance
Accounts Receivable	\$ (125,870)			\$ 125,870
<i>To correct overstatement</i>				
Accrued Payroll				
<i>To correct overstatement</i>		(4,088)		4,088
Net current year misstatements (Iron Curtain Method)	(125,870)	(4,088)	-	129,958
Net prior year misstatements	-	-	-	-
Combined current and prior year misstatements (Rollover Method)	\$ (125,870)	\$ (4,088)	\$ -	\$ 129,958
Financial statement totals	<u>\$ 1,155,695,000</u>	<u>\$ 256,427,000</u>	<u>\$ 899,268,000</u>	<u>\$ 103,457,000</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	0%	0%		0%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	0%	0%		0%

SUMMARY OF CORRECTED MISSTATEMENTS - AUDIT
State of South Carolina
Local Government Infrastructure
Year Ended June 30, 2019

CORRECTED ADJUSTMENTS**Effect of misstatements on:**

Description	Assets	Liabilities	Fund Balance / Net Assets	Net
				Expense/Revenue and Change in Net Assets / Fund Balance
Accrued Payroll				
<i>To correct overstatement</i>		\$ (4,801)		\$ 4,801
Net current year misstatements (Iron Curtain Method)	-	(4,801)	-	4,801
Net prior year misstatements	-	-	-	-
Combined current and prior year misstatements (Rollover Method)	\$ -	\$ (4,801)	\$ -	\$ 4,801
Financial statement totals	<u>\$ 2,348,113,000</u>	<u>\$ 143,062,000</u>	<u>\$ 2,205,051,000</u>	<u>\$ 81,977,000</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)		0%		0%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)		0%		0%

SUMMARY OF CORRECTED MISSTATEMENTS - AUDIT
State of South Carolina
Internal Service Funds
Year Ended June 30, 2019

CORRECTED ADJUSTMENTS**Effect of misstatements on:**

Description	Assets	Liabilities	Fund Balance / Net Assets	Net Expense/Revenue and Change in Net Assets / Fund Balance
Accrued Payroll To correct overstatement		\$ (386,674)		\$ 386,674
Securities Lending Collateral To correct netting of assets & liabilities	(30,002,704)	30,002,704		
Net current year misstatements (Iron Curtain Method)	(30,002,704)	29,616,030	-	386,674
Net prior year misstatements	-	-	-	-
Combined current and prior year misstatements (Rollover Method)	\$ (30,002,704)	\$ 29,616,030	\$ -	\$ 386,674
Financial statement totals	<u>\$ 1,870,155,000</u>	<u>\$ 1,143,547,000</u>	<u>\$ 726,608,000</u>	<u>\$ 109,394,000</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	-2%	3%		0%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	-2%	3%		0%

SUMMARY OF UNCORRECTED MISSTATEMENTS - AUDIT
State of South Carolina
Aggregate Discretely Presented Component Units
Year Ended June 30, 2019

CORRECTED ADJUSTMENTS**Effect of misstatements on:**

Description	Assets	Liabilities	Fund Balance / Net Assets	Net Expense/Revenue and Change in Net Assets / Fund Balance
Restricted Cash & Investments <i>Classification Error; No net effect</i>	\$ -			
AFS Cash Balance <i>Unsupported AFS cash balance</i>	(14,243,000)			14,243,000
Restricted Cash <i>Classification Error; No net effect</i>	-			-
Retirement System Investments for footnote purposes <i>Classification Error; No net effect</i>	-			-
State Appropriations <i>Classification Error; No net effect</i>	-			-
Net current year misstatements (Iron Curtain Method)	(14,243,000)	-	-	14,243,000
Net prior year misstatements	-	-	-	-
Combined current and prior year misstatements (Rollover Method)	\$ (14,243,000)	\$ -	\$ -	\$ 14,243,000
Financial statement totals	<u>\$ 30,867,455,000</u>	<u>\$ 25,204,889,000</u>	<u>\$ 5,662,566,000</u>	<u>\$ 626,211,000</u>
Current year misstatement as a % of financial statement totals (Iron Curtain Method)	0%			2%
Current and prior year misstatement as a % of financial statement totals (Rollover Method)	0%			2%



RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL

State of South Carolina
Office of Comptroller General

1200 Senate Street
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Columbia, South Carolina 29201

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

WILLIAM E. GUNN
CHIEF OF STAFF

November 14, 2019

Mr. Remi Omisore, CPA
CliftonLarsonAllen LLP
1966 Greenspring Drive, Suite 300
Timonium, Maryland 21093

Mr. George L. Kennedy, III, CPA
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 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, 2019, 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.

Except where otherwise stated below, immaterial matters less than \$1,000,000 are not considered to be exceptions requiring disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

We confirm, to the best of our knowledge and belief, as of November 14, 2019, the following representations made to you during your audit.

November 14, 2019

CliftonLarsonAllen LLP and South Carolina Office of the State Auditor

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Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of our engagement letter dated May 28, 2019 and South Carolina 2018-2019 Appropriations Act Section 97.2, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements 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.
2. 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.
3. We acknowledge the State's responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We have recorded or disclosed all accounting estimates that could be material to the financial statements in accordance with the requirements of U.S. GAAP. We believe those estimates and the key factors and significant assumptions underlying those estimates, including those measured at fair value, are reasonable and have been consistently applied. While our estimates are reviewed periodically, estimates could change materially within the next year.
5. 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.
6. 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.
7. Special and extraordinary items have been appropriately classified and reported, if applicable.
8. 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 did not identify and we did not notify them of any uncorrected financial statement misstatements.
9. We have made all adjustments to convert our financial information from budgetary to accrual and modified accrual basis and acknowledge that we are responsible for the accuracy and completeness of such accrual basis adjustments.
10. The State's reporting entity includes all entities that are component units of the State. Such component units have been properly presented as either blended or discretely presented. Investments in joint ventures in which the State holds an equity interest have been properly

November 14, 2019

CliftonLarsonAllen LLP and South Carolina Office of the State Auditor

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recorded on the statement of net position. The basic financial statements disclose all other joint ventures and other related organizations.

11. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
12. 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.
13. 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.
14. The State has no material amounts of obsolete, damaged, or unusable items included in inventories at greater than salvage values.
15. 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.
16. 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.
17. 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.
18. 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.
19. 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.
20. 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.
21. The State is responsible for determining the fair value of certain investments as required by 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

November 14, 2019

CliftonLarsonAllen LLP and South Carolina Office of the State Auditor

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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.

22. The State has identified and properly accounted for all nonexchange transactions.
23. 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.
24. We believe that all material expenditures that have been deferred to future periods will be recoverable.
25. The State has complied with all debt related covenants.
26. We believe that the actuarial assumptions and methods the State uses to measure pension and post retirement liabilities and costs for financial accounting and disclosure purposes are consistent with prevailing assumptions and methods used.
27. We believe the methodology used to measure the State's Medicaid liability 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.
28. We have no knowledge that the State plans to make frequent amendments to its pension or other post-employment benefit plans.
29. 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.
30. 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.
31. We have properly accounted for financing arrangements that use derivatives in accordance with GASB Statements.
32. 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.

November 14, 2019

CliftonLarsonAllen LLP and South Carolina Office of the State Auditor

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Information Provided

33. We have provided you with:

- a) Access to all information, of which we are aware, that 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.

34. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

35. 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.

36. Except for what we have disclosed to you, 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.

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CliftonLarsonAllen LLP and South Carolina Office of the State Auditor

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37. Except for what we have disclosed to you, we have no knowledge, nor have we been informed by State investigative agencies (including the State Inspector General's Office and State Law Enforcement Division), of any allegations of fraud, or suspected fraud, affecting the State's financial statements communicated by employees, former employees, regulators, or others beyond that which we or law enforcement officials who investigate or prosecute such conduct have previously disclosed where such actual or suspected fraudulent conduct could have a material effect on the State's financial statements, involving management, employees who have significant roles in internal control, or others.
38. 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 abuse whose effects should be considered when preparing financial statements.
39. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
40. 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.
41. 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.
42. 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.
43. We have a process to track the status of audit findings and recommendations.
44. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
45. We will provide our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report upon the receipt of such items from you.
46. 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

November 14, 2019

CliftonLarsonAllen LLP and South Carolina Office of the State Auditor

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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.

47. 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.
48. 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.
49. The State has followed all applicable laws and regulations in adopting, approving, and amending budgets.
50. 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.
51. Components of net position (net investment in capital assets; restricted; and unrestricted) and fund balance amounts are properly classified and, if applicable, approved.
52. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
53. 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.
54. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, additions to endowments, and transfers.
55. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
56. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.
57. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
58. 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

November 14, 2019

CliftonLarsonAllen LLP and South Carolina Office of the State Auditor

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and unrestricted net position is available and have determined that net position is properly recognized under the policy.

59. 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.
60. 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.

Signature:  Title: COMPTROLLER GENERAL

Signature:  Title: SENIOR ASSISTANT COMPTROLLER GENERAL

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, 2019

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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 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, 2019, and the related notes to the financial statements, which collectively comprise the State's basic financial statements and have issued our report thereon dated November 14, 2019. We conducted our joint audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Connector 2000 Association, Inc., South Carolina Research Authority, InvestSC Inc. and South Carolina Medical Malpractice Liability Joint Underwriting 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. and South Carolina Medical Malpractice Liability Joint Underwriting Association. Our report includes a reference to other auditors who audited the financial statements of certain agencies and component units of the State of South Carolina, 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 CliftonLarsonAllen LLP Separately		Percentage Audited by Other Auditors	
	Total Assets and Deferred Outflows of Resources	Total Revenue	Total Assets and Deferred Outflows of Resources	Total Revenue
Government-wide				
Governmental activities	2%	11%	58%	10%
Business-type activities	-	-	84%	92%
Component units	-	-	100%	99%
Fund Statements				
Governmental Funds	-	-	20%	10%
Enterprise Funds	-	-	84%	92%
Internal Service Funds	38%	89%	52%	7%
Fiduciary Funds	75%	29%	24%	70%
Discretely Presented Component Units	-	-	100%	99%

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) to determine the 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 preceding paragraph 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 have not been identified. We did identify a certain deficiency in internal control, described in the accompanying finding as item 2019-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State's financial statements are free of 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 determination of financial statement amounts. 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 Honorable Henry D. McMaster, Governor
Members of the State Fiscal Accountability Authority
and Members of the General Assembly
State of South Carolina

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 result 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.

George F. Kennedy, III

Columbia, South Carolina
November 14, 2019

Clifton Larson Allen LLP

Baltimore, Maryland
November 14, 2019

MATERIAL WEAKNESS

2019-001 MATERIAL WEAKNESS IN FINANCIAL REPORTING – PREPARATION OF STATEWIDE ACCOUNTING RECORDS AND COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) – COMPTROLLER GENERAL'S OFFICE

Condition

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

Context

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

Cause

These errors were not detected during CGO supervisory staff review.

Effect

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

Criteria

Statements on Auditing Standards (AU-C 200.14) requires that Management acknowledge and understand that they have 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.

Recommendation

We recommend the CGO review its procedures over recording adjustments related to reporting packages and other audited financial statements for inclusion in the statewide CAFR and make changes to strengthen its review procedures.

Response

See management's response on page 6.

MANAGEMENT'S RESPONSE



State of South Carolina
Office of Comptroller General

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

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Fax: (803) 734-1785
E-Mail: cgoffice@cg.sc.gov

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL

WILLIAM E. GUNN
CHIEF OF STAFF

December 18, 2019

Mr. George L. Kennedy III, CPA
State Auditor
1401 Main Street, Suite 1200
Columbia, South Carolina 29201

Dear Mr. Kennedy:

Our Financial Reporting team normally consists of five people who from August through November each year concentrate on compiling the state's CAFR and providing accounting reports and audit documentation. Prior to the start of the FY 2019 CAFR audit, our team lost two of its highly experienced members who between them had over 23 years of combined Financial Reporting team experience. One of the two was hired from us by another state agency and the other one moved out-of-state with her husband when he received a job transfer with his employer.

Coupled with the substantial experience and impressive accounting skills that these two possessed, they also provided some supervision for the lesser experienced members of the Financial Reporting team. Because of the critical timing of their turnover and the necessity for us to promptly fill their vacated positions, we reassigned personnel in other areas of our agency to the Financial Reporting team. We reassigned them in spite of their limited experience and the increased supervision and review we realized it would require. While the remaining experienced members of the team provided as much supervision and review as time permitted, it would have been better had more been provided.

We are in the process of addressing the need to increase the experience level of our Financial Reporting team. Even in the best of times, finding suitable replacements for the two vacated positions would be challenging and progress would be slow because of the unique accounting skills necessary to effectively function in these positions, and the pool of qualified candidates is extremely limited. Yet we intend to be back to full staffing by the FY 2020 audit. Furthermore, we have strengthened our documentation and simplified our workpapers in the areas that experienced audit adjustments in FY 2019.

Sincerely,

Richard Eckstrom
Comptroller General

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF February 4, 2020

ITEM NUMBER 3AGENCY: State Treasurer's OfficeSUBJECT: Bond Counsel Selection

The State Treasurer's Office has provided the following notification, for informational purposes, of the firms selected and approved:

CONDUIT ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel
\$30,000,000; Economic Development Revenue Bonds; Presbyterian Communities of South Carolina; Series 2020 (South Carolina Jobs-Economic Development Authority – "SC JEDA")	Presbyterian Communities of South Carolina Conduit: SC JEDA	Parker Poe – Ray Jones, Emily Luther	Burr Forman McNair – Michael Seezen
\$18,000,000; Economic Development Revenue Bonds; AHP of Columbia, LLC; Series 2020 (SC JEDA)	AHP of Columbia, LLC Conduit: SC JEDA	Burr Forman McNair – Michael Seezen / ICE Miller – Phillip Genetos	Haynsworth Sinkler Boyd – Kathy McKinney, Kimberly Witherspoon
\$20,000,000; Education Facilities Revenue Bonds; Cherokee County Charter School dba Cherokee Charter Academy; Series 2020 (SC JEDA)	Cherokee County Charter School dba Cherokee Charter Academy Conduit: SC JEDA	Howell Linkous Nettles – Sam Howell, Alan Linkous	Parker Poe – Ray Jones, Emily Luther
\$10,000,000; Multifamily Housing Revenue Bonds; Northside Apartments Project; Series 2020 (SC State Housing Finance and Development Authority - "SCSHFDA")	Partans, LLC (Northside Apartments Project) Conduit: SCSHFDA	Howell Linkous Nettles – Sam Howell	Tracey Easton, General Counsel

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF February 4, 2020

ITEM NUMBER 3, Page 2

AGENCY: State Treasurer's Office

SUBJECT: Bond Counsel Selection

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel
\$120,000,000; Mortgage Revenue Bonds; Series 2020A	SC State Housing Finance and Development Authority	Burr Forman McNair – Rion Foley

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 February 04, 2020 meeting:

CONDUIT ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$30,000,000; Economic Development Revenue Bonds; Presbyterian Communities of South Carolina; Series 2020 (South Carolina Jobs-Economic Development Authority – "SC JEDA")	Presbyterian Communities of South Carolina Conduit: SC JEDA	Parker Poe – Ray Jones, Emily Luther	Burr Forman McNair – Michael Seezen	12/13/2019
\$18,000,000; Economic Development Revenue Bonds; AHP of Columbia, LLC; Series 2020 (SC JEDA)	AHP of Columbia, LLC Conduit: SC JEDA	Burr Forman McNair – Michael Seezen / ICE Miller – Phillip Genetos	Haynsworth Sinkler Boyd – Kathy McKinney, Kimberly Witherspoon	12/19/2019
\$20,000,000; Education Facilities Revenue Bonds; Cherokee County Charter School dba Cherokee Charter Academy; Series 2020 (SC JEDA)	Cherokee County Charter School dba Cherokee Charter Academy Conduit: SC JEDA	Howell Linkous Nettles – Sam Howell, Alan Linkous	Parker Poe – Ray Jones, Emily Luther	01/21/2020
\$10,000,000; Multifamily Housing Revenue Bonds; Northside Apartments Project; Series 2020 (SC State Housing Finance and Development Authority - "SCSHFDA")	Partans, LLC (Northside Apartments Project) Conduit: SCSHFDA	Howell Linkous Nettles – Sam Howell	Tracey Easton, General Counsel	01/07/2020

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
\$120,000,000; Mortgage Revenue Bonds; Series 2020A	SC State Housing Finance and Development Authority	Burr Forman McNair – Rion Foley	01/02/2020

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF February 4, 2020

ITEM NUMBER 4

AGENCY: Department of Administration; Executive Budget Office

SUBJECT: 2019 Comprehensive Permanent Improvement Plan

Section 2-47-55 of the 1976 South Carolina Code of Laws provides that all state agencies responsible for providing and maintaining physical facilities are required to submit a Comprehensive Permanent Improvement Plan to the Joint Bond Review Committee and the State Fiscal Accountability Authority. The Comprehensive Permanent Improvement Plan is a planning tool that informs decisionmakers of the permanent improvement projects state agencies and institutions of higher education plan to undertake during the next five fiscal years. Each project included in the plan must subsequently be brought forward for consideration individually. The Executive Budget Office of the South Carolina Department of Administration has 1) compiled a statewide report entitled "State of South Carolina 2019 Comprehensive Permanent Improvement Plan, Fiscal Years 2019-20 through 2023-24" from agency submissions; 2) provided the information to the Joint Bond Review Committee and the State Fiscal Accountability Authority pursuant to the statute; and 3) made accessible complete and full details of agency submissions on the Department's website at: <https://www.admin.sc.gov/budget/cpip>.

AUTHORITY ACTION REQUESTED:

Receive the 2019 Comprehensive Permanent Improvement Plan as information.

ATTACHMENTS:

Agenda item worksheet; State of South Carolina Comprehensive Permanent Improvement Plan, Fiscal Years 2019-20 through 2023-24; Section 2-47-55 of the 1976 South Carolina Code of Laws.


STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 4, 2020

Regular Agenda

1. **Submitted By:**

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


Brian J. Gaines Director, Executive Budget Office

2. **Subject:** **2019 Comprehensive Permanent Improvement Plan**

3. **Summary Background Information:**

Section 2-47-55 of the 1976 South Carolina Code of Laws provides that all state agencies responsible for providing and maintaining physical facilities are required to submit a Comprehensive Permanent Improvement Plan to the Joint Bond Review Committee and the State Fiscal Accountability Authority. The Comprehensive Permanent Improvement Plan is a planning tool that informs decisionmakers of the permanent improvement projects state agencies and institutions of higher education plan to undertake during the next five fiscal years. Each project included in the plan must subsequently be brought forward for consideration individually. The Executive Budget Office of the South Carolina Department of Administration has 1) compiled a statewide report entitled "State of South Carolina 2019 Comprehensive Permanent Improvement Plan, Fiscal Years 2019-20 through 2023-24" from agency submissions; 2) provided the information to the Joint Bond Review Committee and the State Fiscal Accountability Authority pursuant to the statute; and 3) made accessible complete and full details of agency submissions on the Department's website at:

<https://www.admin.sc.gov/budget/cpip>.

4. **What is the Authority asked to do?**

Receive the 2019 Comprehensive Permanent Improvement Plan, as information.

5. **What is the recommendation of the Department of Administration?**

Receive the 2019 Comprehensive Permanent Improvement Plan, as information.

6. **Recommendation of other Division/Agency (as required)?**

- (a) Authorized Signature: _____
(b) Division/Agency Name: _____
-

7. **List of Supporting Documents:**

1. State of South Carolina Comprehensive Permanent Improvement Plan, Fiscal Years 2019-20 through 2023-24.
2. Section 2-47-55 of the 1976 South Carolina Code of Laws.

1976 South Carolina Code of Laws
Title 2 - General Assembly

CHAPTER 47
Joint Bond Review Committee

SECTION 2-47-55. Comprehensive Permanent Improvement Plan.

(A) All state agencies responsible for providing and maintaining physical facilities are required to submit a Comprehensive Permanent Improvement Plan (CPIP) to the Joint Bond Review Committee and the authority. The CPIP must include all of the agency's permanent improvement projects anticipated and proposed over the next five years beginning with the fiscal year starting July first after submission. The purpose of the CPIP process is to provide the authority and the committee with an outline of each agency's permanent improvement activities for the next five years. Agencies must submit a CPIP to the committee and the authority on or before a date to be determined by the committee and the authority. The CPIP for each higher education agency, including the technical colleges, must be submitted through the Commission on Higher Education which must review the CPIP and provide its recommendations to the authority and the committee. The authority and the committee must approve the CPIP after submission and may develop policies and procedures to implement and accomplish the purposes of this section.

(B) The State shall define a permanent improvement only in terms of capital improvements, as defined by generally accepted accounting principles, for reporting purposes to the State.

HISTORY: 1993 Act No. 178, Section 5, eff July 1, 1993; 2003 Act No. 5, Section 1; 2014 Act No. 121 (S.22), Pt VII, Section 18.B, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 18.B, in subsection (A), substituted "authority" for "Budget and Control Board", substituted "authority" for "board" throughout, and made other nonsubstantive changes.



STATE OF SOUTH CAROLINA
2019 COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

For the Plan Years 2020 - 2024

Statewide

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

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STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

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For the Plan Years 2020 - 2024

Statewide

Summary of Plan by Fund Source

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Fund Source

Fund Source	2020	2021	2022	2023	2024	Total Sources
State	259,008,407	482,999,967	303,850,531	162,953,259	192,648,569	1,401,460,733
Debt	670,046,116	255,649,000	241,027,050	795,029,700	164,534,000	2,126,285,866
Federal	42,981,217	53,688,250	67,345,499	11,935,441	35,680,426	211,630,833
Other	525,293,235	302,573,056	165,504,184	160,791,507	218,265,226	1,372,427,208
Unidentified	870,757		6,092,824	22,325,341	75,050,026	104,338,948
Grand Total	1,498,199,732	1,094,910,273	783,820,088	1,153,035,248	686,178,247	5,216,143,588



STATE OF SOUTH CAROLINA
2019 COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

For the Plan Years 2020 - 2024

Statewide

Summary of Plan by Functional Group

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Functional Group

Fund Source	2020	2021	2022	2023	2024	Total Sources
State	259,008,407	482,999,967	303,850,531	162,953,259	192,648,569	1,401,460,733
Conservation, Natural Resources and Development	33,740,335	60,790,500	36,340,940	20,300,000	5,700,000	156,871,775
Correctional and Public Safety		10,878,023	63,906,241	11,633,151	7,809,135	94,226,550
Executive and Administrative	29,298,401	23,431,532	22,776,046	17,383,281	17,275,416	110,164,676
Health and Social Services	9,554,000	57,348,139	36,610,927	33,781,398	22,633,114	159,927,578
K-12 Education and Cultural	33,251,920	4,344,768	11,100,000		500,000	49,196,688
Regulatory	1,282,768	1,695,420				2,978,188
Senior Institutions and Regional Campuses	141,921,281	99,640,200	52,558,300	10,225,000	32,800,000	337,144,781
Technical Colleges	9,684,702	224,571,385	80,558,077	69,630,429	105,930,904	490,375,497
Transportation	275,000	300,000				575,000
Debt	670,046,116	255,649,000	241,027,050	795,029,700	164,534,000	2,126,285,866
Correctional and Public Safety				667,000,000		667,000,000
Health and Social Services	1,370,000	4,365,000	3,670,000	2,894,000	1,470,000	13,769,000
Senior Institutions and Regional Campuses	668,676,116	245,440,000	237,357,050	125,135,700	163,064,000	1,439,672,866
Technical Colleges		5,844,000				5,844,000
Federal	42,981,217	53,688,250	67,345,499	11,935,441	35,680,426	211,630,833
Conservation, Natural Resources and Development	4,280,234	772,250	1,106,250	1,106,250		7,264,984
Executive and Administrative	34,083,333	19,280,459	25,484,209	8,118,789	28,448,119	115,414,909
Health and Social Services	767,000	1,635,541	31,094,002	910,402	5,232,307	39,639,252
Regulatory	150,650					150,650
Senior Institutions and Regional Campuses	3,700,000	30,000,000				33,700,000
Technical Colleges		2,000,000	9,661,038	1,800,000	2,000,000	15,461,038
Other	525,293,235	302,573,056	165,504,184	160,791,507	218,265,226	1,372,427,208
Conservation, Natural Resources and Development	13,119,441	3,203,750	1,983,750	403,750		18,710,691
Correctional and Public Safety	75,119,867	36,600,000	15,750,000	11,000,000	19,500,000	157,969,867
Executive and Administrative	8,416,750	3,100,000	2,850,000	4,075,000	4,450,000	22,891,750
Health and Social Services	18,908,562	125,000	200,000		5,000,000	24,233,562
K-12 Education and Cultural	19,229,716	1,407,201	4,851,904			25,488,821
Regulatory	4,482,519	3,187,105	2,989,208	2,413,000	3,612,000	16,683,832
Senior Institutions and Regional Campuses	362,253,741	214,210,000	97,100,000	108,875,000	164,109,000	946,547,741
Technical Colleges	23,762,639	40,740,000	39,779,322	34,024,757	21,594,226	159,900,944
Unidentified	870,757		6,092,824	22,325,341	75,050,026	104,338,948
Conservation, Natural Resources and Development	20,000					20,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Functional Group

Fund Source	2020	2021	2022	2023	2024	Total Sources
Unidentified	870,757		6,092,824	22,325,341	75,050,026	104,338,948
K-12 Education and Cultural	850,000		1,436,824	125,341	3,050,026	5,462,191
Senior Institutions and Regional Campuses			3,500,000	22,200,000	72,000,000	97,700,000
Technical Colleges	757		1,156,000			1,156,757
Grand Total	1,498,199,732	1,094,910,273	783,820,088	1,153,035,248	686,178,247	5,216,143,588



STATE OF SOUTH CAROLINA
2019 COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

For the Plan Years 2020 - 2024

Statewide

Summary of Plan by Business Area

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
State						
Conservation, Natural Resources and Development	33,740,335	60,790,500	36,340,940	20,300,000	5,700,000	156,871,775
Clemson University Public Service and Agriculture		29,450,000		7,900,000		37,350,000
Department of Agriculture	400,000					400,000
Department of Natural Resources	1,007,753	6,190,500	28,830,940	1,900,000		37,929,193
Department of Parks Recreation and Tourism	32,332,582	25,150,000	7,510,000	10,500,000	5,700,000	81,192,582
Correctional and Public Safety		10,878,023	63,906,241	11,633,151	7,809,135	94,226,550
Department of Juvenile Justice		1,320,000	59,605,341	8,891,651	4,500,000	74,316,992
Department of Public Safety		6,808,023	2,544,000	992,500	1,194,000	11,538,523
Law Enforcement Training Council		2,750,000	911,900	1,749,000	2,115,135	7,526,035
State Law Enforcement Division			845,000			845,000
Executive and Administrative	29,298,401	23,431,532	22,776,046	17,383,281	17,275,416	110,164,676
Department of Administration	19,687,182	18,375,517	13,353,781	13,453,781	13,683,181	78,553,442
Office of Adjutant General	9,611,219	5,056,015	9,422,265	3,929,500	3,592,235	31,611,234
Health and Social Services	9,554,000	57,348,139	36,610,927	33,781,398	22,633,114	159,927,578
Commission for the Blind		5,101,685				5,101,685
Department of Mental Health	9,346,000	51,205,645	35,993,242	33,535,000	21,217,000	151,296,887
Vocational Rehabilitation Department	208,000	1,040,809	617,685	246,398	1,416,114	3,529,006
K-12 Education and Cultural	33,251,920	4,344,768	11,100,000		500,000	49,196,688
Governor's School for Science and Mathematics	17,865,608					17,865,608
Governor's School for the Arts and Humanities	510,000	565,000	10,800,000			11,875,000
John de la Howe School	4,691,312					4,691,312
Museum Commission	10,000,000					10,000,000
School for the Deaf and Blind		3,779,768			500,000	4,279,768
Wil Lou Gray Opportunity School	185,000		300,000			485,000
Regulatory	1,282,768	1,695,420				2,978,188
Department of Motor Vehicles	1,282,768	1,695,420				2,978,188
Senior Institutions and Regional Campuses	141,921,281	99,640,200	52,558,300	10,225,000	32,800,000	337,144,781
Coastal Carolina University	8,000,000					8,000,000
College of Charleston	11,029,781					11,029,781
Francis Marion University	7,900,000	7,500,000	3,000,000	3,000,000	3,000,000	24,400,000
Medical University of South Carolina	10,000,000					10,000,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
State						
South Carolina State University	1,445,000	10,302,200	8,058,300	5,025,000		24,830,500
The Citadel – The Military College of South Carolina	10,000,000					10,000,000
University of South Carolina – Aiken Campus	7,000,000	12,000,000				19,000,000
University of South Carolina – Beaufort Campus	4,500,000	26,000,000				30,500,000
University of South Carolina – Columbia Campus	60,000,000	15,350,000				75,350,000
University of South Carolina – Lancaster Campus	3,500,000	7,350,000				10,850,000
University of South Carolina – Salkehatchie Campus	1,391,500	2,413,000				3,804,500
University of South Carolina – Sumter Campus	3,595,000	7,750,000				11,345,000
University of South Carolina – Union Campus	1,360,000	1,675,000				3,035,000
University of South Carolina – Upstate Campus	3,000,000	6,000,000			27,000,000	36,000,000
Winthrop University	9,200,000	3,300,000	41,500,000	2,200,000	2,800,000	59,000,000
Technical Colleges	9,684,702	224,571,385	80,558,077	69,630,429	105,930,904	490,375,497
Aiken Technical College		10,500,000	640,000		19,200,000	30,340,000
Central Carolina Technical College		4,500,000	19,630,650	8,811,029	1,000,000	33,941,679
Denmark Technical College		10,250,000	692,000	5,500,000		16,442,000
Florence-Darlington Technical College	5,984,702	25,500,000	5,000,000	5,500,000	15,600,000	57,584,702
Greenville Technical College		37,900,000			42,900,000	80,800,000
Horry-Georgetown Technical College		5,000,000	35,000,000	25,000,000	20,000,000	85,000,000
Midlands Technical College		6,480,000				6,480,000
Northeastern Technical College	3,500,000		7,102,099	4,700,000	2,475,000	17,777,099
Orangeburg-Calhoun Technical College		11,000,000	7,000,000			18,000,000
Piedmont Technical College		9,112,000	4,993,328	4,368,000	4,755,904	23,229,232
Spartanburg Community College	200,000	32,681,000		751,400		33,632,400
Technical College of the Lowcountry		5,000,000		15,000,000		20,000,000
Tri-County Technical College		6,000,000	500,000			6,500,000
Trident Technical College		28,175,000				28,175,000
Williamsburg Technical College		19,250,000				19,250,000
York Technical College		13,223,385				13,223,385
Transportation	275,000	300,000				575,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
State						
Aeronautics Commission	275,000	300,000				575,000
Total State	259,008,407	482,999,967	303,850,531	162,953,259	192,648,569	1,401,460,733

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
Debt						
Correctional and Public Safety				667,000,000		667,000,000
Department of Corrections				667,000,000		667,000,000
Health and Social Services	1,370,000	4,365,000	3,670,000	2,894,000	1,470,000	13,769,000
Department of Disabilities and Special Needs	1,370,000	4,365,000	3,670,000	2,894,000	1,470,000	13,769,000
Senior Institutions and Regional Campuses	668,676,116	245,440,000	237,357,050	125,135,700	163,064,000	1,439,672,866
Clemson University	150,000,000	115,000,000	93,000,000	40,000,000		398,000,000
College of Charleston	75,000,000	103,000,000	90,000,000			268,000,000
Francis Marion University	3,455,932	23,850,000				27,305,932
Lander University			17,057,050	15,135,700	31,064,000	63,256,750
Medical University of South Carolina	18,000,000					18,000,000
South Carolina State University			500,000			500,000
The Citadel – The Military College of South Carolina	41,220,184		7,300,000		39,000,000	87,520,184
University of South Carolina – Beaufort Campus			28,000,000			28,000,000
University of South Carolina – Columbia Campus	381,000,000			70,000,000	53,000,000	504,000,000
University of South Carolina – Sumter Campus		2,600,000	1,500,000			4,100,000
University of South Carolina – Union Campus		990,000				990,000
University of South Carolina – Upstate Campus					40,000,000	40,000,000
Technical Colleges		5,844,000				5,844,000
Aiken Technical College		5,844,000				5,844,000
Total Debt	670,046,116	255,649,000	241,027,050	795,029,700	164,534,000	2,126,285,866

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
Federal						
Conservation, Natural Resources and Development	4,280,234	772,250	1,106,250	1,106,250		7,264,984
Department of Natural Resources	3,480,234	772,250	1,106,250	1,106,250		6,464,984
Department of Parks Recreation and Tourism	800,000					800,000
Executive and Administrative	34,083,333	19,280,459	25,484,209	8,118,789	28,448,119	115,414,909
Office of Adjutant General	34,083,333	19,280,459	25,484,209	8,118,789	28,448,119	115,414,909
Health and Social Services	767,000	1,635,541	31,094,002	910,402	5,232,307	39,639,252
Department of Mental Health			28,811,758			28,811,758
Vocational Rehabilitation Department	767,000	1,635,541	2,282,244	910,402	5,232,307	10,827,494
Regulatory	150,650					150,650
Department of Motor Vehicles	150,650					150,650
Senior Institutions and Regional Campuses	3,700,000	30,000,000				33,700,000
Medical University of South Carolina	2,500,000					2,500,000
The Citadel – The Military College of South Carolina		30,000,000				30,000,000
Winthrop University	1,200,000					1,200,000
Technical Colleges		2,000,000	9,661,038	1,800,000	2,000,000	15,461,038
Central Carolina Technical College			2,084,000			2,084,000
Denmark Technical College		2,000,000				2,000,000
Florence-Darlington Technical College					2,000,000	2,000,000
Northeastern Technical College			7,577,038	1,800,000		9,377,038
Total Federal	42,981,217	53,688,250	67,345,499	11,935,441	35,680,426	211,630,833

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
Other						
Conservation, Natural Resources and Development	13,119,441	3,203,750	1,983,750	403,750		18,710,691
Department of Agriculture		900,000				900,000
Department of Natural Resources	11,767,023	2,303,750	1,983,750	403,750		16,458,273
Department of Parks Recreation and Tourism	1,352,418					1,352,418
Correctional and Public Safety	75,119,867	36,600,000	15,750,000	11,000,000	19,500,000	157,969,867
Department of Corrections	15,153,560	29,400,000	15,750,000	11,000,000	19,500,000	90,803,560
Department of Public Safety	991,500					991,500
Law Enforcement Training Council	296,527					296,527
State Law Enforcement Division	58,678,280	7,200,000				65,878,280
Executive and Administrative	8,416,750	3,100,000	2,850,000	4,075,000	4,450,000	22,891,750
Department of Administration	8,416,750	3,100,000	2,850,000	4,075,000	4,450,000	22,891,750
Health and Social Services	18,908,562	125,000	200,000		5,000,000	24,233,562
Department of Health and Environmental Control	1,216,750	125,000	200,000			1,541,750
Department of Mental Health	17,691,812					17,691,812
Vocational Rehabilitation Department					5,000,000	5,000,000
K-12 Education and Cultural	19,229,716	1,407,201	4,851,904			25,488,821
Department of Education	1,925,000		1,125,000			3,050,000
Educational Television Commission	1,918,380	1,407,201	2,116,904			5,442,485
Governor's School for Science and Mathematics	4,920,536					4,920,536
Governor's School for the Arts and Humanities	430,000		210,000			640,000
John de la Howe School	3,535,800		1,400,000			4,935,800
Museum Commission	5,000,000					5,000,000
School for the Deaf and Blind	1,500,000					1,500,000
Regulatory	4,482,519	3,187,105	2,989,208	2,413,000	3,612,000	16,683,832
Department of Employment and Workforce	888,926	1,027,105	489,208	623,000	157,000	3,185,239
Department of Labor, Licensing and Regulation	1,765,000	1,750,000	820,000	1,050,000	3,050,000	8,435,000
Department of Motor Vehicles	1,183,593	410,000	1,680,000	740,000	405,000	4,418,593
Department of Revenue	245,000					245,000
Office of Regulatory Staff	200,000					200,000
State Housing Finance and Development Authority	200,000					200,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
Other						
Senior Institutions and Regional Campuses	362,253,741	214,210,000	97,100,000	108,875,000	164,109,000	946,547,741
Clemson University	68,700,000	35,000,000	41,000,000	43,000,000		187,700,000
Coastal Carolina University	29,500,000	44,500,000	8,000,000	6,000,000	27,000,000	115,000,000
College of Charleston	67,370,219	31,000,000	10,000,000	11,000,000	4,000,000	123,370,219
Francis Marion University	1,144,068					1,144,068
Medical University of South Carolina	48,650,000	13,700,000	10,000,000	10,000,000	10,000,000	92,350,000
South Carolina State University		1,750,000			3,450,000	5,200,000
The Citadel – The Military College of South Carolina	26,264,454	25,000,000	3,000,000		53,234,000	107,498,454
University of South Carolina – Aiken Campus	500,000	3,000,000	2,500,000		2,500,000	8,500,000
University of South Carolina – Beaufort Campus		1,000,000	5,000,000			6,000,000
University of South Carolina – Columbia Campus	118,340,000	31,950,000	17,600,000	14,875,000	19,375,000	202,140,000
University of South Carolina – Union Campus		210,000				210,000
University of South Carolina – Upstate Campus	385,000	4,500,000			23,550,000	28,435,000
Winthrop University	1,400,000	22,600,000		24,000,000	21,000,000	69,000,000
Technical Colleges	23,762,639	40,740,000	39,779,322	34,024,757	21,594,226	159,900,944
Aiken Technical College			300,000			300,000
Central Carolina Technical College		500,000	1,573,663	2,202,757		4,276,420
Greenville Technical College	1,666,639	20,570,000	4,000,000	26,430,000	8,350,000	61,016,639
Horry-Georgetown Technical College	12,000,000		23,000,000			35,000,000
Midlands Technical College	2,500,000	1,620,000				4,120,000
Northeastern Technical College	160,000		2,407,327	300,000	125,000	2,992,327
Orangeburg-Calhoun Technical College			3,000,000			3,000,000
Piedmont Technical College		2,278,000	1,248,332	1,092,000	1,188,976	5,807,308
Spartanburg Community College	2,086,000	7,372,000	750,000		1,430,250	11,638,250
Tri-County Technical College	4,400,000		2,500,000	3,000,000	9,500,000	19,400,000
Trident Technical College	950,000	6,400,000	1,000,000	1,000,000	1,000,000	10,350,000
Williamsburg Technical College		2,000,000				2,000,000
Total Other	525,293,235	302,573,056	165,504,184	160,791,507	218,265,226	1,372,427,208

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Fund Source	2020	2021	2022	2023	2024	Total Sources
Unidentified						
Conservation, Natural Resources and Development	20,000					20,000
Department of Natural Resources	20,000					20,000
K-12 Education and Cultural	850,000		1,436,824	125,341	3,050,026	5,462,191
Educational Television Commission			936,824	125,341	3,050,026	4,112,191
John de la Howe School	850,000		500,000			1,350,000
Senior Institutions and Regional Campuses			3,500,000	22,200,000	72,000,000	97,700,000
College of Charleston				22,200,000	70,000,000	92,200,000
University of South Carolina – Columbia Campus			3,500,000			3,500,000
University of South Carolina – Sumter Campus					2,000,000	2,000,000
Technical Colleges	757		1,156,000			1,156,757
Aiken Technical College			1,156,000			1,156,000
Northeastern Technical College	757					757
Total Unidentified	870,757		6,092,824	22,325,341	75,050,026	104,338,948

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Plan by Business Area

Grand Total	1,498,199,732	1,094,910,273	783,820,088	1,153,035,248	686,178,247	5,216,143,588
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STATE OF SOUTH CAROLINA
2019 COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

For the Plan Years 2020 - 2024

Statewide

Summary of Proposed Permanent Improvement Projects

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Conservation, Natural Resources and Development	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Clemson University Public Service and Agriculture							
Plan Year 2021							
Water Resources Building Renovation	1/7	7,000,000					7,000,000
T. Ed Garrison Education/Conference Center Construction	2/7	11,000,000					11,000,000
Research and Education Centers Graduate Student Housing Construction/Renovation	3/7	4,000,000					4,000,000
Baruch Institute Research Support Building Construction	4/7	5,450,000					5,450,000
Pee Dee Research and Education Center Greenhouse Construction	5/7	2,000,000					2,000,000
Plan Year 2021 Total		29,450,000					29,450,000
Plan Year 2023							
Edisto Research and Education Center Lab Renovations	6/7	5,500,000					5,500,000
Simpson Research and Education Center Poultry Farm Improvements	7/7	2,400,000					2,400,000
Plan Year 2023 Total		7,900,000					7,900,000
Clemson University Public Service and Agriculture Total		37,350,000					37,350,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Conservation, Natural Resources and Development	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Agriculture							
Plan Year 2020							
Pee Dee State Farmers Market Building and Grounds Maintenance	1/3	400,000					400,000
Plan Year 2020 Total		400,000					400,000
Plan Year 2021							
Greenville State Farmers Market (GSFM) Facilities Renovation	2/3				750,000		750,000
State Farmers Market Interstate 26 Sign	3/3				150,000		150,000
Plan Year 2021 Total					900,000		900,000
Department of Agriculture Total		400,000			900,000		1,300,000

Conservation, Natural Resources and Development	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Natural Resources							
Plan Year 2020							
Colleton-Bennet's Point Facility Public Access	1/51			85,975	128,025		214,000
Lancaster-Forty Acre Rock HP Stream Restoration	2/51				247,000		247,000
Charleston-Fort Johnson Boat Slip Renovation	3/51	1,000,000					1,000,000
Charleston-Crab Bank Rehabilitation	4/51				132,000		132,000
Lancaster-Liberty Hill WMA Land Acquisition (TIR Tract)	5/51				20,000		20,000
Aiken-Stoney Bluff HP Land Acquisition (38AK0854)	6/51				770,000		770,000
Edgefield-Horse Creek Heritage Preserve Land Acquisition (38ED0221)	7/51				970,000		970,000
Charleston-Santee Coastal Reserve Wildlife Management Area Dock Construction	8/51				234,800		234,800
Charleston-Botany Bay Wildlife Management Area (WMA) Shop Construction	9/51				220,020		220,020
Charleston - Cape Dike Restoration Project	10/51			1,000,000	559,000		1,559,000
Greenville-Tall Pines WMA Land Acquisition (Pacolet Milliken Tract)	11/51			1,920,000	660,000		2,580,000
Aiken-Henderson Heritage Preserve Land Donation (Jackson Tract)	12/51				5,053		5,053
Greenville-Poinsett Bridge Restoration	13/51				1,000,000		1,000,000
Lancaster-Forty Acre Rock Heritage Preserve Land Acquisition (Crowell Tract)	14/51				153,000		153,000
Lancaster-Forty Acre Rock Heritage Preserve Land Acquisition (Edwards I Tract)	15/51				220,000		220,000
Richland-Regional Skeet & Trap Event Range	16/51	7,753		23,259			31,012
York-Fisheries Office Relocation	17/51			187,500	62,500		250,000
Colleton-South Fenwick Island Land Acquisition (Lacuna Tract 1)	18/51			197,500	20,000		217,500
Colleton-South Fenwick Island Land Acquisition (Lacuna Tract 2)	19/51			66,000	20,000		86,000
Jasper-Palachucola WMA Land Acquisition (Garvin Tract)	20/51				70,000		70,000
Lexington-Congaree Creek HP-Workshop Construction	21/51				2,625		2,625
Laurens-Lake Rabon Land Acquisition	22/51				5,020,000		5,020,000
Horry-Waccamaw River HP Land Acquisition (Mossy Oak Tract)	23/51				488,000		488,000
Horry-Waccamaw River HP Land Acquisition (Waccamaw Farm & Timber)	24/51				675,000	20,000	695,000
Williamsburg-Black River Tract Donation (SCDOT)	25/51				10,000		10,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Conservation, Natural Resources and Development	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Natural Resources							
Plan Year 2020							
Various Counties-Land Acquisitions/Donations	26/51				80,000		80,000
Plan Year 2020 Total		1,007,753		3,480,234	11,767,023	20,000	16,275,010
Plan Year 2021							
Georgetown-Yawkey Wildlife Center Renovations-Gift of Construction	27/51				986,000		986,000
Charleston-CCEHBR Buliding Demolition	28/51	825,000					825,000
Beaufort-Waddel Mariculture Center Maturation Ponds and Facility Repairs	29/51	1,000,000					1,000,000
Charleston-Central Energy Plant Protection	30/51			416,000	104,000		520,000
Charleston-Capers Island Dock Repair and Access	31/51				550,000		550,000
Charleston- Capers Island Dike Rehabilitation	32/51				400,000		400,000
Colleton-Bennett's Point Bank Stabilization & Dock Repair	33/51	1,980,000					1,980,000
Pickens-Pickens County Range Improvements	35/51			356,250	143,750		500,000
Barnwell-Barnwell Fish Hatchery Restoration	36/51	1,800,000					1,800,000
Charleston-Marine Resources Research Lab Flood Protection	37/51	585,500					585,500
Various Counties-Land Acquisitions/Donations	38/51				120,000		120,000
Plan Year 2021 Total		6,190,500		772,250	2,303,750		9,266,500

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Conservation, Natural Resources and Development	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Natural Resources							
Plan Year 2022							
Charleston-Historic Structures Maintenance & Repairs	39/51	405,500					405,500
Chesterfield-Cheraw Fish Hatchery Replace Water Distribution Lines	40/51	3,500,000					3,500,000
Oconnee-Walhalla Fish Hatchery Trout Production Raceways Replacement	41/51	8,000,000					8,000,000
Oconnee-Walhalla Fish Hatchery Trout Production Raceways Replacement	41/51	8,000,000					8,000,000
Colleton-Bennett's Point Field Station Renovation	42/51	968,440					968,440
Charleston-Ft Johnson Central Energy Plant Replacement	43/51	7,207,000					7,207,000
York-York Public Shooting Range	44/51			1,106,250	393,750		1,500,000
Oconnee-Jocassee Gorges WMA Land Acquisition	45/51				20,000		20,000
Statewide Office and Workshop Renovations	46/51	750,000			1,450,000		2,200,000
Horry-Lewis Ocean Bay Heritage Preserve Land Acquisition	47/51				20,000		20,000
Various Counties-Land Acquisitions/Donations	48/51				100,000		100,000
Plan Year 2022 Total		28,830,940		1,106,250	1,983,750		31,920,940
Plan Year 2023							
Berkeley-Dennis Center/Bayless Hatchery Renovation	49/51	1,900,000					1,900,000
Colleton-Edisto River Wildlife Management Area Land Donation(Good Hope Tract)	50/51				10,000		10,000
Marion-Marsh WMA Shooting Range	51/51			1,106,250	393,750		1,500,000
Plan Year 2023 Total		1,900,000		1,106,250	403,750		3,410,000
Department of Natural Resources Total		37,929,193		6,464,984	16,458,273	20,000	60,872,450

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Conservation, Natural Resources and Development	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Parks Recreation and Tourism							
Plan Year 2020							
Hunting Island State Park Beach Restoration	1/30	16,247,582			1,352,418		17,600,000
Campground Utility Replacement/Upgrades	2/30	2,100,000					2,100,000
Comfort Station / Rest Station Renovations	3/30	1,000,000					1,000,000
Road Repair - Hunting Island State Park	4/30	1,200,000		800,000			2,000,000
St Phillips Operational Start-Up	5/30	1,000,000					1,000,000
Dreher Island Campground Improvements	6/30	500,000					500,000
St Phillips Island Revetment Repair	7/30	985,000					985,000
North Mansion Complex Repair and Restoration	8/30	8,300,000					8,300,000
Shoreline Stabilization	9/30	1,000,000					1,000,000
Plan Year 2020 Total		32,332,582		800,000	1,352,418		34,485,000
Plan Year 2021							
Hunting Island State Park Cabins	10/30	10,000,000					10,000,000
Fairplay Welcome Center Rebuild	11/30	5,500,000					5,500,000
Statewide Dam Spillway Repairs	12/30	2,500,000					2,500,000
Residence Replacement - Edisto Beach	13/30	150,000					150,000
Cheraw State Park Cabins	14/30	1,000,000					1,000,000
Statewide Exhibits	15/30	500,000					500,000
Hunting Island Lighthouse Repairs	16/30	3,000,000					3,000,000
CTL Animal Forest Enclosure Repairs and Upgrades	17/30	500,000					500,000
Gap Creek Development	18/30	1,000,000					1,000,000
Water System Upgrades	19/30	1,000,000					1,000,000
Plan Year 2021 Total		25,150,000					25,150,000
Plan Year 2022							
Property Aquisitions	20/30	10,000					10,000
North Augusta Welcome Center Rebuild	21/30	5,500,000					5,500,000
Asbestos/Mold/Lead Removal Phase 5	22/30	500,000					500,000
Calhoun Falls Marina	23/30	1,000,000					1,000,000
Statewide Fisheries Improvements	24/30	500,000					500,000
Plan Year 2022 Total		7,510,000					7,510,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Conservation, Natural Resources and Development	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Parks Recreation and Tourism							
Plan Year 2023							
Shoreline Stabilization Phase 2	25/30	1,000,000					1,000,000
Blacksburg Welcome Center Rebuild	26/30	5,500,000					5,500,000
Statewide Road Repairs	27/30	2,500,000					2,500,000
Santee Cabin Renovations	28/30	1,500,000					1,500,000
Plan Year 2023 Total		10,500,000					10,500,000
Plan Year 2024							
Little River Welcome Center Rebuild	29/30	5,500,000					5,500,000
Historic Homes Painting Repair & Renovations, Statewide	30/30	200,000					200,000
Plan Year 2024 Total		5,700,000					5,700,000
Department of Parks Recreation and Tourism Total		81,192,582		800,000	1,352,418		83,345,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
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STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Corrections							
Plan Year 2020							
Capital Renewal for Major Maintenance and Repairs (FY20)	1/26				4,500,000		4,500,000
Capital Renewal for Fire Alarm Replacements (FY20)	2/26				5,500,000		5,500,000
Capital Renewal for Mechanical and Electrical Equipment & Systems (FY20)	3/26				4,090,000		4,090,000
Capital Renewal for Security/Detention Systems & Equipment (FY20)	4/26				300,000		300,000
Lee CI - Renovations for K-9 Unit (#9759)	5/26				225,000		225,000
Perry CI - Multipurpose Building (9756)	6/26				538,560		538,560
Plan Year 2020 Total					15,153,560		15,153,560
Plan Year 2021							
Capital Renewal for Major Maintenance and Repairs (FY21)	7/26				5,000,000		5,000,000
Capital Renewal for Security/Detention Systems & Equipment (FY21)	8/26				5,000,000		5,000,000
Capital Renewal for General Maintenance - Roofing (FY21)	9/26				2,500,000		2,500,000
Capital Renewal for General Maintenance - Floor Repairs/Replacements (FY21)	10/26				1,000,000		1,000,000
Central Food Storage Warehouse Facility on the SCDC Broad River Complex	11/26				15,900,000		15,900,000
Plan Year 2021 Total					29,400,000		29,400,000
Plan Year 2022							
Capital Renewal for Major Maintenance and Repairs (FY22)	12/26				2,500,000		2,500,000
Capital Renewal for Mechanical and Electrical Equipment & Systems (FY22)	13/26				2,000,000		2,000,000
Capital Renewal for Fire Alarm Replacements (FY22)	14/26				7,500,000		7,500,000
Capital Renewal for General Maintenance - Paving (FY22)	15/26				2,500,000		2,500,000
Renovations at the Central Inmate Bus Transportation Terminal	16/26				1,250,000		1,250,000
Plan Year 2022 Total					15,750,000		15,750,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Corrections							
Plan Year 2023							
Capital Renewal for Major Maintenance and Repairs (FY23)	17/26				2,500,000		2,500,000
Capital Renewal for Security/Detention Systems & Equipment (FY23)	18/26				5,000,000		5,000,000
Capital Renewal for General Maintenance - Roofing (FY23)	19/26				2,500,000		2,500,000
Capital Renewal for General Maintenance - Floor Repairs/Replacements (FY23)	20/26				1,000,000		1,000,000
New 3,000 Bed Security Level V Correctional Facility	21/26		667,000,000				667,000,000
Plan Year 2023 Total			667,000,000		11,000,000		678,000,000
Plan Year 2024							
Capital Renewal for Major Maintenance and Repairs (FY24)	22/26				2,500,000		2,500,000
Capital Renewal for Fire Alarm Replacements (FY24)	23/26				7,500,000		7,500,000
Capital Renewal for Mechanical and Electrical Equipment & Systems (FY24)	24/26				2,000,000		2,000,000
Capital Renewal for Security/Detention Systems & Equipment (FY24)	25/26				5,000,000		5,000,000
Capital Renewal for General Maintenance - Paving (FY24)	26/26				2,500,000		2,500,000
Plan Year 2024 Total					19,500,000		19,500,000
Department of Corrections Total			667,000,000		90,803,560		757,803,560

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Juvenile Justice							
Plan Year 2021							
Dominion (SCEG) Power Grid Takeover	1/18	1,320,000					1,320,000
Plan Year 2021 Total		1,320,000					1,320,000
Plan Year 2022							
New detention,evaluation facility due to raise the age legislation	2/18	19,001,372					19,001,372
Regionalization Phase 1 of 3 Willow Lane Site Modifications	3/18	3,521,203					3,521,203
Regionalization Phase 2 of 3 Willow Lane building repurposing.	4/18	13,198,982					13,198,982
Regonalization Phase 3 of 3 Midlands Evaluation Center Services Center for Regionalization	5/18	5,971,766					5,971,766
Broad River Road complex Recreational Areas for Regionalization	6/18	1,224,000					1,224,000
Goldsmith building repurposed into enhanced infirmary facility	7/18	11,688,018					11,688,018
HVAC R-22 equipment replacement	8/18	2,800,000					2,800,000
Upgrade Birchwood Campus Fire Alarm Panels	9/18	2,200,000					2,200,000
Plan Year 2022 Total		59,605,341					59,605,341
Plan Year 2023							
Birchwood High School Intercom system	10/18	150,000					150,000
SCDJJ Columbia Facility flat roof replacement.	11/18	1,200,000					1,200,000
Security Upgrade For Maple, Holly, Poplar, Cypress and Laurel Units.	12/18	4,101,651					4,101,651
LED Security Lighting Upgrade for 4 Juvenile housing units. JDC, MEC, UEC, and CEC	13/18	200,000					200,000
Agency Wide Security Camera Equipment Enhancement	14/18	2,319,000					2,319,000
Acoustic Treatments State-wide	15/18	921,000					921,000
Plan Year 2023 Total		8,891,651					8,891,651
Plan Year 2024							
Central Warehouse Consolidation	16/18	3,850,000					3,850,000
Girls Transition Home on Shivers Road Columbia complex	17/18	450,000					450,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Juvenile Justice							
Plan Year 2024							
R&E and Shivers Road Building Demolition	18/18	200,000					200,000
Plan Year 2024 Total		4,500,000					4,500,000
Department of Juvenile Justice Total		74,316,992					74,316,992

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Public Safety							
Plan Year 2020							
DPS Security Upgrades	1/11				400,000		400,000
DPS/DMV Warehouse Roof Retrofit	2/11				391,500		391,500
Highway Patrol Interior Upgrades	3/11				200,000		200,000
Plan Year 2020 Total					991,500		991,500
Plan Year 2021							
Central Evidence Warehouse Construction	4/11	6,808,023					6,808,023
Plan Year 2021 Total		6,808,023					6,808,023
Plan Year 2022							
Highway Patrol Supply Warehouse HVAC System Replacement	5/11	550,000					550,000
Highway Patrol Statewide HVAC Upgrades	6/11	495,000					495,000
Blythewood Complex Chiller Replacement	7/11	599,000					599,000
DPS/DMV Headquarters Paving Replacement & Repairs	8/11	900,000					900,000
Plan Year 2022 Total		2,544,000					2,544,000
Plan Year 2023							
Highway Patrol Facilities Statewide Paving	9/11	992,500					992,500
Plan Year 2023 Total		992,500					992,500
Plan Year 2024							
Blythewood Complex Boiler Replacement	10/11	620,000					620,000
Fleet Shop Renovations	11/11	574,000					574,000
Plan Year 2024 Total		1,194,000					1,194,000
Department of Public Safety Total		11,538,523			991,500		12,530,023

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Law Enforcement Training Council							
Plan Year 2020							
Roof Repairs at SC Criminal Justice Academy	1/11				296,527		296,527
Plan Year 2020 Total					296,527		296,527
Plan Year 2021							
Emergency Generator	2/11	2,750,000					2,750,000
Plan Year 2021 Total		2,750,000					2,750,000
Plan Year 2022							
Carpet Replacement in Original SCCJA Dorms (i.e., North, East, West, West Annex, Tower, Basement)	3/11	279,400					279,400
Paving Projects	4/11	632,500					632,500
Plan Year 2022 Total		911,900					911,900
Plan Year 2023							
Replace Target System on Weapons Range 3	5/11	302,500					302,500
Renovate all Main Campus Dormitory Restrooms	6/11	1,446,500					1,446,500
Plan Year 2023 Total		1,749,000					1,749,000
Plan Year 2024							
Replace FATS Training Buildings 102 and 105	7/11	1,232,000					1,232,000
Replace HVAC in Building 11	8/11	188,329					188,329
Modular 4 Building Replacement	9/11	450,000					450,000
Campus Site Drainage Repairs	10/11	50,000					50,000
Replace HVAC in Building 10	11/11	194,806					194,806
Plan Year 2024 Total		2,115,135					2,115,135
Law Enforcement Training Council Total		7,526,035			296,527		7,822,562

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Correctional and Public Safety	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
State Law Enforcement Division							
Plan Year 2020							
New Forensics Laboratory Building - Project # 9976	1/5				58,525,780		58,525,780
Partial Headquarters Roof Replacement	3/5				152,500		152,500
Plan Year 2020 Total					58,678,280		58,678,280
Plan Year 2021							
Former Forensics Laboratory Renovation	2/5				7,200,000		7,200,000
Plan Year 2021 Total					7,200,000		7,200,000
Plan Year 2022							
CJIS HVAC Replacement & Upgrade	4/5	490,000					490,000
CJIS Building Roof Replacement	5/5	355,000					355,000
Plan Year 2022 Total		845,000					845,000
State Law Enforcement Division Total		845,000			65,878,280		66,723,280

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Administration							
Plan Year 2020							
McEachern Parking Facility Revamp CO Fan and Controls	1/96				407,050		407,050
Gressette Building Replace Concrete Paving Tiles at Entrances	2/96				104,900		104,900
Adjutant General Office Building - Air Handling Units, VAV, Controls, Duct Repair	3/96				1,150,000		1,150,000
Blatt Building Replace VAV Terminal Hot Water Reheat	4/96				705,000		705,000
Energy Facility Replace Roof	5/96				676,300		676,300
State Surplus Property Paint/Repair/Add Signage	6/96				123,500		123,500
Hayne Lab Replace/Upgrade Elevator Controls - Modernization	7/96	330,000					330,000
Archives and History Building Roof Insulation and Protective Coating	8/96	300,000					300,000
Data Center Replace Roof Insulation and Protective Coating	9/96	250,000					250,000
Wade Hampton Replace Roof and Parapet Wall	10/96	1,600,000					1,600,000
Harden Street Air Distribution Heating and Cooling	11/96	573,781					573,781
Gressette Building Multi Zone Air Handler	12/96	300,000					300,000
Gressette Building Domestic Water Lines	13/96	650,000					650,000
Sims Aycok Batt Insulation and Vapor Barrier	14/96	247,500					247,500
Supreme Court Waterproof Walls and Windows	15/96	1,954,150					1,954,150
Columbia Mills Roof Replacement	16/96	3,751,000					3,751,000
Columbia Mills Windows Replacement	17/96	5,082,000					5,082,000
Columbia Mills Atrium Roof/Window and Vertical Curtain Wall Repair	18/96	1,016,400					1,016,400
Governor's Mansion Exterior Painting and Window Replacement	19/96	300,000					300,000
Gressette Building Replace Windows	20/96	862,137					862,137
Blatt Building Window Replacement	21/96	890,000					890,000
State House Refinish Marble Floors	22/96	780,214					780,214
Gressette Building Chilled & Hot Water Distribution	23/96	800,000					800,000
State House Replace Chilled Water Pipe Couplings	24/96				220,000		220,000

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Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Administration							
Plan Year 2020							
Brown Building Terminal Hot Water Reheat	25/96				440,000		440,000
Sumter Street Replace Air Handlers	26/96				495,000		495,000
Dennis Building Replace Air Handlers 1 and 2	27/96				1,100,000		1,100,000
Columbia Mills Parking Deck Repairs	28/96				220,000		220,000
State Surplus Property Warehouse Storefront	29/96				100,000		100,000
Attorney General's Office 6th Floor Renovation	30/96				575,000		575,000
Data Center UPS B Distribution	31/96				2,100,000		2,100,000
Plan Year 2020 Total		19,687,182			8,416,750		28,103,932

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Administration							
Plan Year 2021							
Sims Aycokk Elevator Modernization	32/96	1,703,781					1,703,781
Hayne Lab Motor Controls	33/96	1,650,000					1,650,000
North Towers Replace Air Handlers	34/96	1,980,000					1,980,000
McEachern Parking Facility Replace High Voltage Switches and Unit Stations	35/96				3,100,000		3,100,000
State House Portico Pavers Drainage	36/96	300,000					300,000
Mills Jarrett Replace Operable Windows	37/96	1,815,000					1,815,000
Sims/Aycokk Chilled Water System Rebuild 2 Chillers	38/96	314,600					314,600
Blatt Building Domestic Water Lines	39/96	880,000					880,000
Sumter Street Brick Wall Repointing Overlay	40/96	242,000					242,000
Dennis Building Chilled & Hot Water Distribution - Booster Pumps, Risers & Isolation Valves	41/96	1,089,000					1,089,000
Governor's Mansion Elevator Modernization	42/96	220,000					220,000
Calhoun Building Replace/Upgrade Elevator Controls and Modernize	43/96	677,600					677,600
State Library Lower Roof Replacement	44/96	423,500					423,500
North Towers Elevator Modernization	45/96	1,573,000					1,573,000
Gressette Building Replace VAV Terminal Hot Water Reheat	46/96	341,000					341,000
Supreme Court Air Distribution, Heating and Cooling	47/96	350,900					350,900
Gressette Building Generator and Transfer Switch	48/96	1,100,000					1,100,000
Calhoun Building Air Distribution, Heating and Cooling	49/96	429,550					429,550
Calhoun Building Replace VAV Terminal Hot Water Reheat	50/96	484,000					484,000
Harden Street DSS Parking Lot Repair and Replacement	51/96	399,300					399,300
North Towers Building Flooring Repair and Replacement	52/96	381,150					381,150
Senate Street Building Flooring Repair and Replacement	53/96	127,050					127,050
Data Center Replace Chillers #1 and 2	54/96	726,000					726,000
Prosecution Commission Office Renovation	55/96	240,000					240,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Administration							
Plan Year 2021							
Mills Jarrett Replace 2 Rooftop Air Handlers	56/96	928,086					928,086
Plan Year 2021 Total		18,375,517			3,100,000		21,475,517
Plan Year 2022							
Mills/Jarrett Replace Lighting Equipment	57/96	1,210,000					1,210,000
Brown Building Window Replacement	58/96	1,100,000					1,100,000
Dennis Building Window Replacement	59/96	1,043,781					1,043,781
Calhoun Building Replace Attic Air Handlers	60/96				400,000		400,000
State Library Window Replacement	61/96				1,100,000		1,100,000
Sims/Aycock Parking Lot Repair and Replacement	62/96				1,100,000		1,100,000
Supreme Court Parking Lot Repair and ADA Compliance	63/96				250,000		250,000
Columbia Mills HVAC Mechanical System Phase 1	64/96	10,000,000					10,000,000
Plan Year 2022 Total		13,353,781			2,850,000		16,203,781

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Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Administration							
Plan Year 2023							
FM Energy Facility Replace Chiller #2	65/96	1,143,781					1,143,781
Mills/Jarrett Building Flooring Repair and Replacement	66/96	400,000					400,000
Dennis Building Flooring Repair and Replacement	67/96	350,000					350,000
Wade Hampton Building Flooring Repair and Replacement	68/96	260,000					260,000
State House Exterior Painting	69/96	750,000					750,000
North Towers Building Lightning Protection System	70/96	450,000					450,000
North Towers Replace Lighting Equipment	71/96				1,100,000		1,100,000
State Library Grounding Systems	72/96				110,000		110,000
Columbia Mills Replace/Repair Structural Frame	73/96				265,000		265,000
Calhoun Building Operable Window Replacement	74/96				2,600,000		2,600,000
State Park Farmer Building Demolition	75/96	6,600,000					6,600,000
State Park Mary White Building Demolition	76/96	1,600,000					1,600,000
State Park Montcrief Building Demolition	77/96	1,900,000					1,900,000
Plan Year 2023 Total		13,453,781			4,075,000		17,528,781

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Administration							
Plan Year 2024							
State Library Batt Installation and Vapor Barrier	78/96	165,000					165,000
Energy Facility Replace Boiler	79/96	350,000					350,000
Sims/Aycock Grounding System Replacement	80/96	435,000					435,000
Mills/Jarrett Building Lightning Protection System	81/96	400,000					400,000
Senate Street Building - Branch Wiring	82/96	403,781					403,781
Wade Hampton Replace Fan Coil Units	83/96	1,600,000					1,600,000
Supreme Court Replace Fan Coil Units	84/96				500,000		500,000
Mills/Jarrett Replace Fan Coil Units	85/96				750,000		750,000
Dennis Building Replace Fan Coil Units	86/96				1,800,000		1,800,000
Calhoun Building Replace Fan Coil Units	87/96				1,400,000		1,400,000
Adjutant General Building Chilled & Hot Water Distribution - Booster Pumps, Risers & Isolation Valves	88/96	1,000,000					1,000,000
Mills Jarrett Building Chilled & Hot Water Distribution - Booster Pumps, Risers & Isolation Valves	89/96	900,000					900,000
Columbia Mills HVAC Mechanical System Phase 2	90/96	3,000,000					3,000,000
Senate Street Elevator Modernization	91/96	616,600					616,600
North Towers Replace Chillers	92/96	1,300,000					1,300,000
Archives and History Replace 2 Boilers	93/96	500,000					500,000
Sims Aycock Replace 2 Boilers	94/96	1,200,000					1,200,000
North Towers Replace VAV Boxes	95/96	712,800					712,800
DSS Harden Street Replace VAV Boxes	96/96	1,100,000					1,100,000
Plan Year 2024 Total		13,683,181			4,450,000		18,133,181
Department of Administration Total		78,553,442			22,891,750		101,445,192

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Office of Adjutant General							
Plan Year 2020							
McEntire Joint National Guard Base - Land Management	1/59	2,200,000					2,200,000
Joint Base Charleston Readiness Center	2/59	1,269,000		18,015,000			19,284,000
Armory Revitalizations 2019-2020 (Annualized)	3/59	3,559,000		3,787,000			7,346,000
Statewide Readiness Center Female Latrines (Annualized)	4/59	150,000		450,000			600,000
Training Sites TT Enlisted Barracks Replacement (Annualized)	5/59			1,326,416			1,326,416
Statewide Stand Alone Facility Entrance Security Improvements	6/59			5,818,719			5,818,719
SCEMD - State Emergency Operations Center Improvements	7/59	250,000		250,000			500,000
Statewide Armory Kitchen Improvements (Annualized)	8/59	408,265		1,224,793			1,633,058
Anderson RC Facility Upgrades	9/59			400,000			400,000
Hodges Readiness Center Erosion Repairs	10/59	345,100					345,100
McCormick Armory Demolition	11/59	40,808		122,424			163,232
Statewide Act of Nature Repairs	12/59	1,067,296					1,067,296
MTC Regional Training Institute Lighting Upgrades	13/59			234,000			234,000
Statewide Armory POV Parking Improvements (Annualized)	14/59	87,750		87,750			175,500
Training Sites Roof Replacements (Annualized)	15/59			409,500			409,500
McEntire JAFRC Supply Building	16/59	234,000		702,000			936,000
Construction of Ready Bay for 43rd CST	17/59			731,250			731,250
McEntire AASF Runway Centerline Improvements	18/59			524,481			524,481
Plan Year 2020 Total		9,611,219		34,083,333			43,694,552

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Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Office of Adjutant General							
Plan Year 2021							
Armory Revitalizations 2020-2021	19/59	3,140,000		3,586,000			6,726,000
Statewide Readiness Center Female Latrines (Annualized)	20/59	150,000		450,000			600,000
Pine Ridge Armory (SCEMD) HVAC Replacement (Annualized)	21/59	150,000					150,000
Training Sites TT Enlisted Barracks Replacement (Annualized)	22/59			1,326,416			1,326,416
Statewide Armory Kitchen Improvements (Annualized)	23/59	408,265		1,224,793			1,633,058
Statewide Armory POV Parking Improvements (Annualized)	24/59	87,750		87,750			175,500
Training Sites Roof Replacements (Annualized)	25/59			409,500			409,500
McCrary Multi-Purpose Machine Gun Range	26/59			7,876,000			7,876,000
Pine Ridge Armory (SCEMD) Exterior Brick & Mortar Repairs	27/59	1,120,000					1,120,000
MTC Lift Station & Gravity Sewer Replacement	28/59			1,200,000			1,200,000
AASF #2; Install Radiant Gas Heaters in Storage Hanger	29/59			220,000			220,000
MTC Qualified Recycle Program Facility	30/59			2,000,000			2,000,000
CHTS Unit Training Facility	31/59			500,000			500,000
CHTS Serpentine Road Re-Surfacing	32/59			400,000			400,000
Plan Year 2021 Total		5,056,015		19,280,459			24,336,474

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Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Office of Adjutant General							
Plan Year 2022							
Armory Revitalizations 2021-2022	33/59	3,140,000		3,586,000			6,726,000
Statewide Readiness Center Female Latrines (Annualized)	34/59	150,000		450,000			600,000
Pine Ridge Armory (SCEMD) HVAC Replacement (Annualized)	35/59	157,500					157,500
Training Sites TT Enlisted Barracks Replacement (Annualized)	36/59			1,326,416			1,326,416
Training Sites Roof Replacements (Annualized)	37/59			409,500			409,500
Statewide Armory POV Parking Improvements (Annualized)	38/59	87,750		87,750			175,500
Statewide Armory Kitchen Improvements (Annualized)	39/59	408,265		1,224,793			1,633,058
Aiken Readiness Center	40/59	5,478,750		17,356,250			22,835,000
MTC Supply/Storage Facility	41/59			400,000			400,000
MTC Golden Lion Road Re-Surfacing (Annualized)	42/59			643,500			643,500
Plan Year 2022 Total		9,422,265		25,484,209			34,906,474
Plan Year 2023							
Armory Revitalizations 2022-2023	43/59	3,140,000		3,586,000			6,726,000
Statewide Readiness Center Female Latrines (Annualized)	44/59	150,000		450,000			600,000
Pine Ridge Armory (SCEMD) HVAC Replacement (Annualized)	45/59	165,375					165,375
Training Sites TT Enlisted Barracks Replacement (Annualized)	46/59			1,326,416			1,326,416
Training Sites Roof Replacements (Annualized)	47/59			409,500			409,500
Statewide Armory Kitchen Improvements (Annualized)	48/59	386,375		1,159,123			1,545,498
Statewide Armory POV Parking Improvements (Annualized)	49/59	87,750		87,750			175,500
MTC Golden Lion Road Re-Surfacing (Annualized)	50/59			600,000			600,000
CHTS Construct MRBC Boat Park	51/59			500,000			500,000
Plan Year 2023 Total		3,929,500		8,118,789			12,048,289

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Summary of Proposed Permanent Improvement Projects

Executive and Administrative	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Office of Adjutant General							
Plan Year 2024							
Varnville FMS	52/59			20,645,000			20,645,000
Armory Revitalizations 2023-2024	53/59	3,140,000		3,586,000			6,726,000
Training Sites TT Enlisted Barracks Replacement (Annualized)	54/59			1,326,416			1,326,416
Training Sites Roof Replacements (Annualized)	55/59			409,500			409,500
Statewide Armory Kitchen Improvements (Annualized)	56/59	364,485		1,093,453			1,457,938
Statewide Armory POV Parking Improvements (Annualized)	57/59	87,750		87,750			175,500
MTC Golden Lion Road Re-Surfacing (Annualized)	58/59			600,000			600,000
CHTS Maintenance Building	59/59			700,000			700,000
Plan Year 2024 Total		3,592,235		28,448,119			32,040,354
Office of Adjutant General Total		31,611,234		115,414,909			147,026,143

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Commission for the Blind							
Plan Year 2021							
HVAC and Lighting Systems- Columbia Campus	1/1	5,101,685					5,101,685
Plan Year 2021 Total		5,101,685					5,101,685
Commission for the Blind Total		5,101,685					5,101,685

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Disabilities and Special Needs							
Plan Year 2020							
Whitten Center - Dorm 205- HVAC Replacement of VAV Terminals and EM Controls	1/35		275,000				275,000
Regional Centers- Replacement of HVAC Equipment with R-22 Refrigerant - Coastal, Pee Dee, Saleeby, Midlands, and Whitten Centers	2/35		500,000				500,000
Replacement of Two Generators- Midlands Center - Cedar/Magnolia/Palm/Willow & Mesquite/Oak/Palmetto/Sycamore	3/35		425,000				425,000
Coastal Center - Highlands 110 & 210- Upgrade ATS on Emergency Generators	4/35		170,000				170,000
Plan Year 2020 Total			1,370,000				1,370,000
Plan Year 2021							
Coastal Center - Electrical Power Grid Conversion	5/35		1,500,000				1,500,000
Whitten Center - Dorm 204- Generator Replacement	6/35		135,000				135,000
Midlands Center - Juniper and Walnut Dorms- Generator Replacement	7/35		180,000				180,000
Regional Centers- HVAC System Replacements	8/35		1,000,000				1,000,000
Coastal Center - Central Kitchen- Renovation	9/35		200,000				200,000
Whitten Center - Building 202, Administration, and Campus- Relocation of Campus Communication Hub	10/35		450,000				450,000
Whitten Center - Sloan Building- New Floor Coverings	11/35		100,000				100,000
Midlands Center - Renovation of Cedar Dormitory	12/35		200,000				200,000
Pee Dee Center - Therapy Pool Bldg- Demolition of Indoor Pool Building	13/35		150,000				150,000
Whitten Center -Outdoor Pool- Demolition of Outdoor Pool, Pool Shower & Restroom Building	14/35		150,000				150,000
Whitten Center- Dorm 101- Renovation of Building 101 for Human Resources Office Space	15/35		300,000				300,000
Plan Year 2021 Total			4,365,000				4,365,000

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Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Disabilities and Special Needs							
Plan Year 2022							
Coastal Center - Campus Wide- Fire Alarm System Replacement	16/35		500,000				500,000
Regional Centers- Replacement of HVAC Equipment	17/35		1,000,000				1,000,000
Whitten Center - Hallett School Building- New Floor Coverings	18/35		250,000				250,000
Midlands Center - Dental Clinic- HVAC System Replacements	19/35		120,000				120,000
Pee Dee Center- Pecan Dorm 101- Mitigation and Renovation	20/35		350,000				350,000
Statewide - Rekeying and Access Control Upgrades	21/35		150,000				150,000
Whitten Center - Demolition of Building 202	22/35		300,000				300,000
Whitten Center - Demolition of Old Kitchen and Leisure Services Building	23/35		500,000				500,000
Whitten Center - Warehouse Roof Replacement and Exterior Wall Repair	24/35		400,000				400,000
Coastal Center - Campus Wide Replacement of Exterior Siding	25/35		100,000				100,000
Plan Year 2022 Total			3,670,000				3,670,000
Plan Year 2023							
Whitten Center- Dorm 204- HVAC System Replacement	26/35		350,000				350,000
Regional Centers- Replacement of HVAC Equipment	27/35		1,000,000				1,000,000
Whitten Center - Dorms 102 & 104: Dorms 103 & 105- Generator Replacement	28/35		180,000				180,000
Midlands Center -Chestnut Dorm and Program Building- Generator Replacements	29/35		136,000				136,000
Saleeby Center -East and West Wings- Generator Replacements	30/35		228,000				228,000
Coastal Center - Demolition of Staff Dev&Conference Center, Lakeside 230, 330, 430, 530 Buildings	31/35		500,000				500,000
Central Office - Repaving	32/35		500,000				500,000
Plan Year 2023 Total			2,894,000				2,894,000

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Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Disabilities and Special Needs							
Plan Year 2024							
Regional Centers- Replacement of HVAC Equipment	33/35		1,000,000				1,000,000
Coastal Center- Demolition of Indoor Pool Building	34/35		350,000				350,000
Whitten Center - Rear Property Line Security Fencing	35/35		120,000				120,000
Plan Year 2024 Total			1,470,000				1,470,000
Department of Disabilities and Special Needs Total			13,769,000				13,769,000

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Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Health and Environmental Control							
Plan Year 2020							
Sims Aycock Flooring Replacement Common Areas	1/6				250,000		250,000
Sims Aycock Painting	2/6				200,000		200,000
Aycock Ceiling Replacement	3/6				496,750		496,750
Florence Health Dept. Parking Lot Paving	4/6				270,000		270,000
Plan Year 2020 Total					1,216,750		1,216,750
Plan Year 2021							
Statewide Access Control Installations	5/6				125,000		125,000
Plan Year 2021 Total					125,000		125,000
Plan Year 2022							
Sims Aycock Flooring Replacement Offices	6/6				200,000		200,000
Plan Year 2022 Total					200,000		200,000
Department of Health and Environmental Control Total					1,541,750		1,541,750

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Mental Health							
Plan Year 2020							
Veterans Victory House Chiller Replacement	1/49				700,000		700,000
J12-9759-ML, Coastal Empire Community Mental Health Center HVAC, Sprinkler System, Fire alarm and Roof Replacements	2/49	1,600,000					1,600,000
J12-9736-FW; Harris Hospital HVAC/Fire Sprinkler Renovations	3/49				16,167,812		16,167,812
J12-9751-JM; Crafts Farrow Campus Electrical Distribution System Renovations	4/49	3,546,000			54,000		3,600,000
SCDMH Campbell Kitchen Drain Repair	5/49				470,000		470,000
Community Buildings Deferred Maintenance	6/49	3,500,000					3,500,000
Inpatient Buildings Deferred Maintenance	7/49	700,000			300,000		1,000,000
Plan Year 2020 Total		9,346,000			17,691,812		27,037,812
Plan Year 2021							
Harris Hospital Renovations Lodges A, G, H, J, and K	8/49	6,005,645					6,005,645
Crafts Farrow State Hospital and Tucker Center Laundries	9/49	3,300,000					3,300,000
Waccamaw Center for Mental Health HVAC, Sprinkler, Fire Alarm and Roof Replacement	10/49	1,600,000					1,600,000
Anderson-Oconee-Pickens Mental Health Center Construction	11/49	12,430,000					12,430,000
Catawba Mental Health Center Construction	12/49	12,430,000					12,430,000
Columbia Area Mental Health Center Construction Phase III	13/49	8,050,000					8,050,000
Campbell State Veterans Nursing Home Renovations	14/49	3,940,000					3,940,000
Roddey Nursing Home Floor Replacement	15/49	1,000,000					1,000,000
Demolish four vacant buildings on the Crafts Farrow campus	16/49	2,000,000					2,000,000
Morris Village Nursing Station Renovations	17/49	450,000					450,000
Plan Year 2021 Total		51,205,645					51,205,645

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Mental Health							
Plan Year 2022							
J12-9737-LC; State Veterans Nursing Home Central	18/49	25,288,242		28,811,758			54,100,000
Bryan Psychiatric Hospital Roof & HVAC Replacements	19/49	2,420,000					2,420,000
Bryan Lodges (Water Isolation, Tile Replacement and Storefront Replacement)	20/49	1,700,000					1,700,000
Bryan & MV Sidewalk Construction, Repairs and Covers	21/49	350,000					350,000
Central Administrative Building Renovation	22/49	2,200,000					2,200,000
Physical Medicine Building A/C and Roof Replacement	23/49	350,000					350,000
Morris Village Administrative Modulares and West Classroom Replacement	24/49	500,000					500,000
DIS Central Pharmacy Construction	25/49	1,485,000					1,485,000
Building 29 Roof Replacement	26/49	1,700,000					1,700,000
Plan Year 2022 Total		35,993,242		28,811,758			64,805,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Mental Health							
Plan Year 2023							
Construction of a new Abbeville Mental Health Clinic	27/49	1,800,000					1,800,000
Construction of a second floor addition to the Charleston MHC Children's Clinic Wing	28/49	3,245,000					3,245,000
Harris Hospital Activity Shelters Construction	29/49	300,000					300,000
Lexington County Community Mental Health Center	30/49	14,000,000					14,000,000
Tucker Center Storage Building Construction	31/49	1,200,000					1,200,000
Storm Drainage Improvements at Bryan	32/49	550,000					550,000
Crafts Farrow Campus Road/Parking Lot Repairs and Repavement	33/49	1,400,000					1,400,000
Kershaw Mental Health Clinic Addition and Roof Replacement	34/49	1,800,000					1,800,000
Cherokee Mental Health Clinic Construction	35/49	3,600,000					3,600,000
Crafts Farrow Building 17, Public Safety Renovation	36/49	1,680,000					1,680,000
Crafts Farrow Building 6 Renovation	37/49	2,560,000					2,560,000
North Augusta Satellite Mental Health Center - New Construction	38/49	1,400,000					1,400,000
Plan Year 2023 Total		33,535,000					33,535,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Mental Health							
Plan Year 2024							
Construction of a new Pickens Mental Health Center	39/49	3,000,000					3,000,000
Construct a new Aiken Barnwell Mental Health Clinic to replace the Hartzog Clinic	40/49	2,400,000					2,400,000
Edgefield Mental Health Clinic Construction	41/49	2,000,000					2,000,000
Harris Hospital Pavement and Exterior Lighting Renovations	42/49	600,000					600,000
Interior renovations of patient areas at Harris Psychiatric Hospital	43/49	920,000					920,000
Harris Psychiatric Hospital Renovation and Expansion of A&D and Public Safety	44/49	500,000					500,000
Construction of a new Brook Pine CRCF and Gaston Clinic	45/49	3,600,000					3,600,000
Construction of an addition to the Clarendon Mental Health Clinic	46/49	2,000,000					2,000,000
Construction of a new Bishopville Mental Health Clinic	47/49	2,400,000					2,400,000
Construction of a new Union Mental Health Clinic	48/49	2,400,000					2,400,000
Construction of a new McCormick Mental Health Clinic	49/49	1,397,000					1,397,000
Plan Year 2024 Total		21,217,000					21,217,000
Department of Mental Health Total		151,296,887		28,811,758	17,691,812		197,800,457

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Health and Social Services	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Vocational Rehabilitation Department							
Plan Year 2020							
Anderson VR Center Reroofing	1/16	112,000		413,000			525,000
Sumter VR Center Reroofing	2/16	96,000		354,000			450,000
Plan Year 2020 Total		208,000		767,000			975,000
Plan Year 2021							
Camden VR Center Reroofing	3/16	97,980		362,020			460,000
Orangeburg VR Center Reroofing	4/16	113,529		419,471			533,000
Greenwood VR Center Reroofing	5/16	108,000		397,550			505,550
Beaufort VR Center Reroofing	6/16	103,000		377,800			480,800
HVAC Systems Replacement	7/16	597,000					597,000
Cooling Tower - State Office	8/16	21,300		78,700			100,000
Plan Year 2021 Total		1,040,809		1,635,541			2,676,350
Plan Year 2022							
Anderson VR Center Repaving	9/16	130,000		480,329			610,329
Berkeley-Dorchester VR Center Reroofing	10/16	105,222		388,778			494,000
Rock Hill VR Center Reroofing	11/16	128,652		475,348			604,000
Marlboro VR Center Paving	12/16	138,791		512,809			651,600
Conway VR Center Reroofing	13/16	115,020		424,980			540,000
Plan Year 2022 Total		617,685		2,282,244			2,899,929
Plan Year 2023							
Conway VR Center Paving	14/16	109,695		405,305			515,000
Lexington VR Center Paving	15/16	136,703		505,097			641,800
Plan Year 2023 Total		246,398		910,402			1,156,800
Plan Year 2024							
Holmesview Center Rebuilding	16/16	1,416,114		5,232,307	5,000,000		11,648,421
Plan Year 2024 Total		1,416,114		5,232,307	5,000,000		11,648,421
Vocational Rehabilitation Department Total		3,529,006		10,827,494	5,000,000		19,356,500

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Education							
Plan Year 2020							
School Bus Shops Parking Lot Paving Project	1/3				1,400,000		1,400,000
School Bus Shop Roofing Project	2/3				525,000		525,000
Plan Year 2020 Total					1,925,000		1,925,000
Plan Year 2022							
School Bus Shop Oil Water Separation Repair	3/3				1,125,000		1,125,000
Plan Year 2022 Total					1,125,000		1,125,000
Department of Education Total					3,050,000		3,050,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Educational Television Commission							
Plan Year 2020							
SCETV Aiken County Land Purchase For Tower Move	1/12				1,065,000		1,065,000
SCETV Paris Mountain Land Purchase - Repack Related	2/12				231,500		231,500
SCETV Emergency Generator for Beaufort Studio	3/12				155,470		155,470
SCETV Emergency Generator for Sumter Studio	4/12				155,470		155,470
SCETV Emergency Generator for Rock Hill Studio	5/12				155,470		155,470
SCETV Emergency Generator for Spartanburg Studio	6/12				155,470		155,470
Plan Year 2020 Total					1,918,380		1,918,380
Plan Year 2021							
SCETV Beach Island Tower and Building Purchase	7/12				1,250,000		1,250,000
SCETV Florence Transmitter Building Exterior Work	8/12				157,201		157,201
Plan Year 2021 Total					1,407,201		1,407,201
Plan Year 2022							
SCETV St. George Microwave Tower Move	9/12					936,824	936,824
SCETV Renovate Several Areas in the SCETV Headquarters	10/12				2,116,904		2,116,904
Plan Year 2022 Total					2,116,904	936,824	3,053,728
Plan Year 2023							
SCETV Cottageville Microwave Site Land Grading	11/12					125,341	125,341
Plan Year 2023 Total						125,341	125,341
Plan Year 2024							
SCETV Charleston Transmitter Tower and Building	12/12					3,050,026	3,050,026
Plan Year 2024 Total						3,050,026	3,050,026
Educational Television Commission Total					5,442,485	4,112,191	9,554,676

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Governor's School for Science and Mathematics							
Plan Year 2020							
Chiller Replacement	1/3				200,300		200,300
GSSM Statewide Outreach/Engineering & STEM Conference Center (Project #H63-9515-MJ)	2/3	16,471,900			4,720,236		21,192,136
Major Upgrades to Facility to Address Security and Safety	3/3	1,393,708					1,393,708
Plan Year 2020 Total		17,865,608			4,920,536		22,786,144
Governor's School for Science and Mathematics Total		17,865,608			4,920,536		22,786,144

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Governor's School for the Arts and Humanities							
Plan Year 2020							
SCGSAH Shingled Roof Replacement	3/7	120,000			430,000		550,000
SCGSAH Elevator Upgrade	3/7	155,000					155,000
SCGSAH Repave Parking Lot and Roads	3/7	235,000					235,000
Plan Year 2020 Total		510,000			430,000		940,000
Plan Year 2021							
SCGSAH HVAC Chiller and Boiler Replacement	2/7	415,000					415,000
SCGSAH HVAC Split Systems Replacement	2/7	150,000					150,000
Plan Year 2021 Total		565,000					565,000
Plan Year 2022							
SCGSAH Dining Hall Expansion and Furniture Replacement	2/7	800,000			210,000		1,010,000
SCGSAH Residence Hall Renovation	2/7	10,000,000					10,000,000
Plan Year 2022 Total		10,800,000			210,000		11,010,000
Governor's School for the Arts and Humanities Total		11,875,000			640,000		12,515,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
John de la Howe School							
Plan Year 2020							
Campus Water L12-N015-MJ - L12 -	1/18				200,000		200,000
Campus Security Entrance	2/18				140,000		140,000
Campus Security Lighting	3/18				150,000		150,000
Wilderness Administration Building/Classroom Buildings	4/18				150,000		150,000
Wilderness Administration - Classroom Building	5/18					850,000	850,000
Emergency Generators	6/18				150,000		150,000
Cafeteria L.S. Brice	7/18				100,000		100,000
L.S. Brice School Renovation A/E	8/18	4,691,312			1,135,800		5,827,112
Administration Building Roof	9/18				800,000		800,000
Barn Roof and Lift	10/18				110,000		110,000
Family Life Roof and Buidling	11/18				200,000		200,000
Campus Roads	12/18				250,000		250,000
Pond Dam Restoration	13/18				150,000		150,000
Plan Year 2020 Total		4,691,312			3,535,800	850,000	9,077,112
Plan Year 2022							
Welding Facility	14/18				500,000		500,000
Agricultural Expansion	15/18				350,000		350,000
Barn Renovation	16/18				350,000		350,000
Infirmmary Renovation	17/18				200,000		200,000
Campus Structures Remaining Revovations	18/18					500,000	500,000
Plan Year 2022 Total					1,400,000	500,000	1,900,000
John de la Howe School Total		4,691,312			4,935,800	1,350,000	10,977,112

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Museum Commission							
Plan Year 2020							
State Museum Permanent Gallery Repair, Renovation and Upgrade of the original 75,000 square feet of unchanged, original 30 year old galleries	1/1	10,000,000			5,000,000		15,000,000
Plan Year 2020 Total		10,000,000			5,000,000		15,000,000
Museum Commission Total		10,000,000			5,000,000		15,000,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
School for the Deaf and Blind							
Plan Year 2020							
Demolition of Outdated Campus Buildings	1/5				1,500,000		1,500,000
Plan Year 2020 Total					1,500,000		1,500,000
Plan Year 2021							
Deferred Maintenance	2/5	3,779,768					3,779,768
Plan Year 2021 Total		3,779,768					3,779,768
Plan Year 2024							
SCSDB Campus Maintenance of multiple buildings	5/5	500,000					500,000
Plan Year 2024 Total		500,000					500,000
School for the Deaf and Blind Total		4,279,768			1,500,000		5,779,768

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

K-12 Education and Cultural	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Wil Lou Gray Opportunity School							
Plan Year 2020							
HVAC Project, Auditorium Building	1/2	185,000					185,000
Plan Year 2020 Total		185,000					185,000
Plan Year 2022							
Classroom Building Improvements	2/2	300,000					300,000
Plan Year 2022 Total		300,000					300,000
Wil Lou Gray Opportunity School Total		485,000					485,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Regulatory	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Employment and Workforce							
Plan Year 2020							
C. Lem Harper Building - DDC Controls Upgrade	1/11				294,990		294,990
C. Lem Harper Building - Auditorium HVAC Unit Renovation	2/11				164,086		164,086
SC Works - Midlands Building - Parking Lot #1 Repaving / Overlay	3/11				429,850		429,850
Plan Year 2020 Total					888,926		888,926
Plan Year 2021							
C. Lem Harper Building - Replace 2 Fresh Air AHU's	4/11				324,800		324,800
Parking Lot Overlay - SC Works Midlands Building - Lot #2	5/11				702,305		702,305
Plan Year 2021 Total					1,027,105		1,027,105
Plan Year 2022							
C Lem Harper Building - Window Leak Repairs	6/11				216,808		216,808
C Lem Harper Building - Waterproofing	7/11				126,000		126,000
C Lem Harper Building - Enclose Outside Stairwell	8/11				146,400		146,400
Plan Year 2022 Total					489,208		489,208
Plan Year 2023							
Central Office Complex - Hampton/Gadsden Street Parking Lot	9/11				125,000		125,000
Robert E. David Building - Parking Lot Repavement / Overlay - Lot # 3	10/11				498,000		498,000
Plan Year 2023 Total					623,000		623,000
Plan Year 2024							
David Building - Service Elevator Renovation	11/11				157,000		157,000
Plan Year 2024 Total					157,000		157,000
Department of Employment and Workforce Total					3,185,239		3,185,239

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Summary of Proposed Permanent Improvement Projects

Regulatory	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Labor, Licensing and Regulation							
Plan Year 2020							
Fire & Life Safety Division - HVAC Replacement Facility-Wide	1/13				100,000		100,000
Fire & Life Safety Division - Asphalt Resurface and Parking Lot Expansion	2/13				135,000		135,000
Fire & Life Safety Division - Renovation of Bathroom Facilities Campus-wide	3/13				155,000		155,000
Fire & Life Safety Division - Complete Assessment & Repairs of Existing Burn Buildings	4/13				577,500		577,500
Fire & Life Safety Division - Complete Assessment & Repairs of FLAG Props	5/13				797,500		797,500
Plan Year 2020 Total					1,765,000		1,765,000
Plan Year 2021							
Fire & Life Safety Division - Erect New Burn Building	6/13				1,125,000		1,125,000
Fire & Life Safety Division - Assess, Update and Repair Aircraft Rescue Fire Fighting (ARFF) Training Props	7/13				625,000		625,000
Plan Year 2021 Total					1,750,000		1,750,000
Plan Year 2022							
Fire & Life Safety Division - Replacement and new installation of approximately 5 generators campus-wide	8/13				300,000		300,000
Fire & Life Safety Division - Renovation of the Denny Building	9/13				520,000		520,000
Plan Year 2022 Total					820,000		820,000
Plan Year 2023							
Fire & Life Safety Division - Renovation of the Fire Marshal's Office	10/13				525,000		525,000
Fire & Life Safety Division - Renovation of the Fire Admin Office	11/13				525,000		525,000
Plan Year 2023 Total					1,050,000		1,050,000
Plan Year 2024							
Fire & Life Safety Division - Erect Training Command Center	12/13				1,525,000		1,525,000
Fire & Life Safety Division - Erect Fire Inspections Training Lab	13/13				1,525,000		1,525,000
Plan Year 2024 Total					3,050,000		3,050,000
Department of Labor, Licensing and Regulation Total					8,435,000		8,435,000

Regulatory	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Motor Vehicles							
Plan Year 2020							
DMV ADA Compliance Statewide - Barnwell Field Office	1/9	687,884					687,884
DMV ADA Compliance Statewide - Saluda Field Office	2/9	594,884					594,884
DMV CDL Grant - Ladson Resurface & (5) CDL Course Restripe	3/9			150,650	7,928		158,578
Insurance Reserve Fund - Hurricane Damage Repairs	4/9				131,946		131,946
Hurricane Shutters Grant	5/9				184,121		184,121
DMV Statewide HVAC Replacement	6/9				224,836		224,836
DMV Statewide Misc. Deferred Maintenance	7/9				211,762		211,762
DMV Statewide Roof Replacements	8/9				198,000		198,000
DMV Statewide Flooring Replacements	9/9				225,000		225,000
Plan Year 2020 Total		1,282,768		150,650	1,183,593		2,617,011
Plan Year 2021							
DMV Paving Project	1/7				230,000		230,000
DMV ADA Compliance Statewide - Edgefield Field Office	2/7	486,884					486,884
DMV ADA Compliance Statewide - McCormick Field Office	3/7	383,884					383,884
DMV ADA Compliance Statewide - Abbeville Field Office	4/7	373,884					373,884
DMV ADA Compliance Statewide - Laurens Field Office	5/7	275,884					275,884
Laurens Field Office - Minor Renovations	6/7				180,000		180,000
DMV ADA Compliance Statewide - Newberry Field Office	7/7	174,884					174,884
Plan Year 2021 Total		1,695,420			410,000		2,105,420
Plan Year 2022							
DMV Spartanburg Fairforest Renovation	1/2				890,000		890,000
DMV Fountain Inn Renovation	2/2				790,000		790,000
Plan Year 2022 Total					1,680,000		1,680,000
Plan Year 2023							
DMV Myrtle Beach Market Common Renovation	1/1				740,000		740,000
Plan Year 2023 Total					740,000		740,000
Plan Year 2024							
DMV St. Matthews Renovation	1/1				405,000		405,000
Plan Year 2024 Total					405,000		405,000
Department of Motor Vehicles Total		2,978,188		150,650	4,418,593		7,547,431

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Summary of Proposed Permanent Improvement Projects

Regulatory	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Department of Revenue							
Plan Year 2020							
The Records Renovation project is a project to repurpose existing leased space at the Columbia Office for DOR.	1/1				245,000		245,000
Plan Year 2020 Total					245,000		245,000
Department of Revenue Total					245,000		245,000

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Summary of Proposed Permanent Improvement Projects

Regulatory	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Office of Regulatory Staff							
Plan Year 2020							
Interior renovations on leased space	1/1				200,000		200,000
Plan Year 2020 Total					200,000		200,000
Office of Regulatory Staff Total					200,000		200,000

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Summary of Proposed Permanent Improvement Projects

Regulatory	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
State Housing Finance and Development Authority							
Plan Year 2020							
Fire Suppression System Installation	1/1				200,000		200,000
Plan Year 2020 Total					200,000		200,000
State Housing Finance and Development Authority Total					200,000		200,000

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Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Clemson University							
Plan Year 2020							
Daniel Hall Renovation and Expansion	1/17		30,000,000		30,000,000		60,000,000
Lehotsky Hall Renovation	2/17		15,000,000		15,000,000		30,000,000
Wastewater Treatment Plant Improvements	3/17		8,000,000				8,000,000
Core Campus Safety and Revitalization	4/17		21,000,000				21,000,000
Roadway Pedestrian Safety Improvements	5/17		21,000,000				21,000,000
Tillman Hall Auditorium Renovation	6/17				10,000,000		10,000,000
Memorial Stadium Renovations	7/17		55,000,000		13,700,000		68,700,000
Plan Year 2020 Total			150,000,000		68,700,000		218,700,000
Plan Year 2021							
Chiller Plants Expansions and Upgrades	8/17		30,000,000				30,000,000
Johnstone Hall Demolition	9/17				10,000,000		10,000,000
Advanced Materials Innovation Complex Construction	10/17		85,000,000		25,000,000		110,000,000
Plan Year 2021 Total			115,000,000		35,000,000		150,000,000
Plan Year 2022							
Martin Hall Renovation	11/17		20,000,000		15,000,000		35,000,000
Long Hall Renovation	12/17		13,000,000		13,000,000		26,000,000
Lightsey Bridge Phase III Construction	13/17		60,000,000				60,000,000
Football Operation Complex Expansion	14/17				7,000,000		7,000,000
Baseball/Softball Practice Facility Construction	15/17				6,000,000		6,000,000
Plan Year 2022 Total			93,000,000		41,000,000		134,000,000
Plan Year 2023							
McFadden Building Renovation	16/17				3,000,000		3,000,000
Bryan Mall Renovations	17/17		40,000,000		40,000,000		80,000,000
Plan Year 2023 Total			40,000,000		43,000,000		83,000,000
Clemson University Total			398,000,000		187,700,000		585,700,000

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Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Coastal Carolina University							
Plan Year 2020							
Academic Enrichment Building and Auditorium	1/9	8,000,000			20,500,000		28,500,000
Kimbel Library HVAC Renovations	2/9				4,000,000		4,000,000
Eaglin Residence Hall Renovation	3/9				5,000,000		5,000,000
Plan Year 2020 Total		8,000,000			29,500,000		37,500,000
Plan Year 2021							
Student Union Annex II	4/9				23,500,000		23,500,000
Academic Classroom Office Building	5/9				21,000,000		21,000,000
Plan Year 2021 Total					44,500,000		44,500,000
Plan Year 2022							
PGM Program Facility	6/9				8,000,000		8,000,000
Plan Year 2022 Total					8,000,000		8,000,000
Plan Year 2023							
HTC Center Expansion	7/9				6,000,000		6,000,000
Plan Year 2023 Total					6,000,000		6,000,000
Plan Year 2024							
Academic/Administrative Building	8/9				21,000,000		21,000,000
Student Health and Wellness Center	9/9				6,000,000		6,000,000
Plan Year 2024 Total					27,000,000		27,000,000
Coastal Carolina University Total		8,000,000			115,000,000		123,000,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
College of Charleston							
Plan Year 2020							
McAlister Residence Hall Renovation	1/38				32,000,000		32,000,000
Simons Center for the Arts Renovation	2/38	529,781	45,000,000		4,470,219		50,000,000
Wentworth Garage Renovation	3/38				2,500,000		2,500,000
Multicultural Center Renovation	4/38				2,500,000		2,500,000
Silcox PE and Health Center Envelope Repair and 1st Floor Renovation	5/38				5,500,000		5,500,000
58 George Street and 44 St. Philip Street Renovations	6/38				4,400,000		4,400,000
Stern Student Center Conversion	7/38	10,500,000			8,000,000		18,500,000
Addlestone Library Envelope Repairs & Interior Modifications	8/38				4,000,000		4,000,000
Berry Residence Hall Renovation	9/38		30,000,000				30,000,000
Potential Land Acquisition	10/38				4,000,000		4,000,000
Plan Year 2020 Total		11,029,781	75,000,000		67,370,219		153,400,000
Plan Year 2021							
College Lodge Residence Hall Renovation/Replacement	11/38		46,000,000				46,000,000
22 & 26 Glebe Street Renovations	12/38				4,800,000		4,800,000
BellSouth Building Mechanical/Electrical Upgrades & Interior Refresh	13/38				5,000,000		5,000,000
Maybank Hall Renovation	14/38				5,000,000		5,000,000
123 Bull Street Renovation	15/38				3,200,000		3,200,000
Craig Hall Replacement	16/38		37,000,000				37,000,000
Kelly House Apartments Exterior Renovation	17/38				4,000,000		4,000,000
Buist Rivers Residence Hall Renovation	18/38				5,000,000		5,000,000
West Edge Parking Garage Construction	19/38		20,000,000				20,000,000
Potential Land Acquisition	20/38				4,000,000		4,000,000
Plan Year 2021 Total			103,000,000		31,000,000		134,000,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
College of Charleston							
Plan Year 2022							
Silcox PE and Health Center 2nd - 4th Floor Interior Renovations	21/38		20,000,000				20,000,000
Robert Scott Small Building Renovation	22/38		25,000,000				25,000,000
Liberty Street Residence Hall MEP Upgrades and Interior Refresh	23/38				2,000,000		2,000,000
Liberty Street Fresh Food Company Renovation	24/38				4,000,000		4,000,000
Steam Energy Infrastructure Replacement	25/38		20,000,000				20,000,000
Chilled Water System Repair/Replacement	26/38		10,000,000				10,000,000
Electrical Grid Infrastructure Upgrades	27/38		15,000,000				15,000,000
Potential Land Acquisition	28/38				4,000,000		4,000,000
Plan Year 2022 Total			90,000,000		10,000,000		100,000,000
Plan Year 2023							
13 Coming Street & 8 Kirkland Lane Redevelopment	29/38					3,200,000	3,200,000
298 & 300 Meeting Street Renovations	30/38				5,000,000		5,000,000
George Street Apartments MEP Upgrades & Interior Refresh	31/38				2,000,000		2,000,000
Thaddeus Street Education Center Renovation	32/38					15,000,000	15,000,000
14 & 16 Glebe Street Renovations	33/38					4,000,000	4,000,000
Potential Land Acquisition	34/38				4,000,000		4,000,000
Plan Year 2023 Total					11,000,000	22,200,000	33,200,000
Plan Year 2024							
JC Long Building Renovation	35/38					5,000,000	5,000,000
19 St. Philip Street and 88 Wentworth Street Renovations	36/38					5,000,000	5,000,000
New School of Business- Land & Building	37/38					60,000,000	60,000,000
Potential Land Acquisition	38/38				4,000,000		4,000,000
Plan Year 2024 Total					4,000,000	70,000,000	74,000,000
College of Charleston Total		11,029,781	268,000,000		123,370,219	92,200,000	494,600,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Francis Marion University							
Plan Year 2020							
Honors Center New Building Project - Budget Increase	1/8	2,900,000	255,932		1,144,068		4,300,000
Freshwater Ecology Research Center	2/8	5,000,000					5,000,000
Athletics Renovations/Improvements	3/8		3,200,000				3,200,000
Plan Year 2020 Total		7,900,000	3,455,932		1,144,068		12,500,000
Plan Year 2021							
Deferred Maintenance/Maintenance Needs - Paving, Sidewalk Repairs, Roof Replacements, HVAC Replacements, and Infrastructure Improvements	4/8	7,500,000					7,500,000
School of Education / School of Business New Building Construction Project	5/8		23,850,000				23,850,000
Plan Year 2021 Total		7,500,000	23,850,000				31,350,000
Plan Year 2022							
Deferred Maintenance/Maintenance Needs	6/8	3,000,000					3,000,000
Plan Year 2022 Total		3,000,000					3,000,000
Plan Year 2023							
Deferred Maintenance/Maintenance Needs	7/8	3,000,000					3,000,000
Plan Year 2023 Total		3,000,000					3,000,000
Plan Year 2024							
Deferred Maintenance/Maintenance Needs	8/8	3,000,000					3,000,000
Plan Year 2024 Total		3,000,000					3,000,000
Francis Marion University Total		24,400,000	27,305,932		1,144,068		52,850,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Lander University							
Plan Year 2022							
Barratt Hall Addition	1/7		7,285,750				7,285,750
Grier Student Center Addition	2/7		9,771,300				9,771,300
Plan Year 2022 Total			17,057,050				17,057,050
Plan Year 2023							
Library Information Commons	3/7		6,000,000				6,000,000
Jackson Library Re-Purposing to a Classroom Building	4/7		9,135,700				9,135,700
Plan Year 2023 Total			15,135,700				15,135,700
Plan Year 2024							
Student Housing Development	5/7		17,500,000				17,500,000
Campus Elevated Parking Garage	6/7		10,000,000				10,000,000
Campus Asphalt Re-Paving	7/7		3,564,000				3,564,000
Plan Year 2024 Total			31,064,000				31,064,000
Lander University Total			63,256,750				63,256,750

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Medical University of South Carolina							
Plan Year 2020							
Capital Renewal Projects FY20	1/11				10,000,000		10,000,000
Interprofessional Health & Innovation Projects H51-9846	2/11	10,000,000	18,000,000		30,000,000		58,000,000
Conversion of relocated research labs to administrative space.	3/11				4,150,000		4,150,000
Hollings Cancer Center 3rd Floor Renovations	4/11				4,500,000		4,500,000
High Risk Infectious Disease Unit - Clinical Sciences Building 1st Floor	5/11			2,500,000			2,500,000
Plan Year 2020 Total		10,000,000	18,000,000	2,500,000	48,650,000		79,150,000
Plan Year 2021							
Capital Renewal Projects FY21	6/11				10,000,000		10,000,000
Renovation of Basic Sciences Building 7th Floor Perimeter Labs & Offices	7/11				2,400,000		2,400,000
Forensic Wet Lab	8/11				1,300,000		1,300,000
Plan Year 2021 Total					13,700,000		13,700,000
Plan Year 2022							
Capital Renewal Projects FY22	9/11				10,000,000		10,000,000
Plan Year 2022 Total					10,000,000		10,000,000
Plan Year 2023							
Capital Renewal Projects FY23	10/11				10,000,000		10,000,000
Plan Year 2023 Total					10,000,000		10,000,000
Plan Year 2024							
Capital Renewal Projects FY24	11/11				10,000,000		10,000,000
Plan Year 2024 Total					10,000,000		10,000,000
Medical University of South Carolina Total		10,000,000	18,000,000	2,500,000	92,350,000		122,850,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
South Carolina State University							
Plan Year 2020							
SCSU Campus Roof Replacement Project - Turner Hall, Williams Hall, Staley Hall, Crawford Zimmerman	1/12	1,445,000					1,445,000
Plan Year 2020 Total		1,445,000					1,445,000
Plan Year 2021							
SCSU Campus Roof Replacement Project - Brooks Infirmary, Lewis Laboratory, Student Center, Hodge Hall Annex, Felton Laboratory Charter School, Domna Building	2/12	2,541,200					2,541,200
SCSU Truth Hall Renovations - Fire suppression and Fire Alarm systems, Renovations on Floors 1 - 4	3/12	4,400,000					4,400,000
SCSU Student Success Enrollment and Retention Upgrades and Renovations	4/12	3,361,000					3,361,000
SCSU Student Center Repairs	5/12				1,750,000		1,750,000
Plan Year 2021 Total		10,302,200			1,750,000		12,052,200
Plan Year 2022							
SCSU Wilkinson Hall	6/12	1,200,000	500,000				1,700,000
SCSU Truth Hall Renovations - Mechanical and Renovations to Floors 5 - 8	7/12	4,200,000					4,200,000
SCSU Campus Roof Replacement Project - Hugine and Washington Hall	8/12	2,658,300					2,658,300
Plan Year 2022 Total		8,058,300	500,000				8,558,300
Plan Year 2023							
SCSU Truth Hall Renovations - Floors 9 - 14	9/12	3,400,000					3,400,000
SCSU Demolition of Mays I, Mays II and Queens Village	10/12	1,125,000					1,125,000
SCSU I. P. Stanback Museum and Planetarium	11/12	500,000					500,000
Plan Year 2023 Total		5,025,000					5,025,000
Plan Year 2024							
SCSU Storm Water Infrastructure Repairs and Renovations	12/12				3,450,000		3,450,000
Plan Year 2024 Total					3,450,000		3,450,000
South Carolina State University Total		24,830,500	500,000		5,200,000		30,530,500

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
The Citadel – The Military College of South Carolina							
Plan Year 2020							
Daniel Library HVAC Replacement	1/11				3,050,000		3,050,000
Johnson Hagood Stadium Sansom Field Turf Replacement	2/11				1,500,000		1,500,000
Supplemental Housing	3/11				1,563,533		1,563,533
Academic Building Replacement (Capers Hall)	4/11	7,500,000	41,220,184		18,354,173		67,074,357
Johnson Hagood Stadium CRC Exterior Repairs	5/11				1,796,748		1,796,748
Byrd Hall Renovation	6/11	2,500,000					2,500,000
Plan Year 2020 Total		10,000,000	41,220,184		26,264,454		77,484,638
Plan Year 2021							
CPR3 - Center for Performance, Readiness, Resiliency, and Recovery	7/11			30,000,000			30,000,000
Johnson Hagood Stadium East Stands Reconstruction	8/11				25,000,000		25,000,000
Plan Year 2021 Total				30,000,000	25,000,000		55,000,000
Plan Year 2022							
Duckett Hall Renovation	9/11		7,300,000		3,000,000		10,300,000
Plan Year 2022 Total			7,300,000		3,000,000		10,300,000
Plan Year 2024							
Engineering Building Replacement	10/11		39,000,000		10,000,000		49,000,000
Stevens Barracks Replacement	11/11				43,234,000		43,234,000
Plan Year 2024 Total			39,000,000		53,234,000		92,234,000
The Citadel – The Military College of South Carolina Total		10,000,000	87,520,184	30,000,000	107,498,454		235,018,638

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Aiken Campus							
Plan Year 2020							
Penland Administration Building - HVAC Replacement and Renovation	1/7	3,500,000			500,000		4,000,000
Business and Education Gym Renovation	2/7	3,500,000					3,500,000
Plan Year 2020 Total		7,000,000			500,000		7,500,000
Plan Year 2021							
Humanities and Social Sciences Building HVAC Upgrades	3/7	2,500,000			500,000		3,000,000
Library Renovation/Learning Commons	4/7	8,500,000			1,500,000		10,000,000
FY21 USC Aiken Deferred Maintenance	5/7	1,000,000			1,000,000		2,000,000
Plan Year 2021 Total		12,000,000			3,000,000		15,000,000
Plan Year 2022							
Pacer Commons Renovation	6/7				2,500,000		2,500,000
Plan Year 2022 Total					2,500,000		2,500,000
Plan Year 2024							
USC Aiken Golf Facility	7/7				2,500,000		2,500,000
Plan Year 2024 Total					2,500,000		2,500,000
University of South Carolina – Aiken Campus Total		19,000,000			8,500,000		27,500,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Beaufort Campus							
Plan Year 2020							
Library/Classroom Building Expansion	1/5	4,500,000					4,500,000
Plan Year 2020 Total		4,500,000					4,500,000
Plan Year 2021							
New Classroom Building	2/5	25,000,000					25,000,000
FY21 USC Beaufort Deferred Maintenance	3/5	1,000,000			1,000,000		2,000,000
Plan Year 2021 Total		26,000,000			1,000,000		27,000,000
Plan Year 2022							
Convocation Center	4/5		28,000,000				28,000,000
OLLI (Osher Lifelong Learning Institute) Facility	5/5				5,000,000		5,000,000
Plan Year 2022 Total			28,000,000		5,000,000		33,000,000
University of South Carolina – Beaufort Campus Total		30,500,000	28,000,000		6,000,000		64,500,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Columbia Campus							
Plan Year 2020							
Campus Village Residential Development- Stage One	1/33		210,000,000				210,000,000
New Health Sciences Campus - Medical Teaching and Research Facilities	2/33	55,000,000	155,000,000		75,000,000		285,000,000
Jones PSC Biology Lab Renovation	3/33				6,800,000		6,800,000
Intramural Recreation Field Land Acquisition	4/33				3,300,000		3,300,000
Taylor House Maintenance Renovation	5/33				1,630,000		1,630,000
Thornwell College Maintenance Renovation	6/33		12,000,000				12,000,000
Honors College Expansion	7/33	5,000,000			14,450,000		19,450,000
Strom Thurmond Wellness Center Intramural Recreation Field Resurfacing	8/33				1,850,000		1,850,000
1106 Greene Street Property Acquisition	9/33				10,000		10,000
West Campus Parking Development	10/33				6,500,000		6,500,000
Close-Hipp Roof Replacement	11/33				1,250,000		1,250,000
Wardlaw College Exterior Maintenance Renovation	12/33		4,000,000				4,000,000
Intramural Recreation Field Land Site Development I	13/33				4,700,000		4,700,000
Colonial Life Arena Roof Replacement and Envelope Maintenance	14/33				2,850,000		2,850,000
Plan Year 2020 Total		60,000,000	381,000,000		118,340,000		559,340,000
Plan Year 2021							
Horry-Guignard House Maintenance and Renovation	15/33	1,350,000					1,350,000
FY21 USC Columbia Critical Maintenance and Repair	16/33	14,000,000			14,000,000		28,000,000
War Memorial Renovation	17/33				4,200,000		4,200,000
Woodrow College Renovation	18/33				11,900,000		11,900,000
300 Main Roof Replacement	19/33				1,850,000		1,850,000
Plan Year 2021 Total		15,350,000			31,950,000		47,300,000

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Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Columbia Campus							
Plan Year 2022							
Blatt P.E. Center Roof Replacement	20/33				2,600,000		2,600,000
Osborne Maintenance Renovation	21/33					3,500,000	3,500,000
Land Acquisition for Tennis Facility	22/33				5,000,000		5,000,000
Indoor Tennis Facility	23/33				10,000,000		10,000,000
Plan Year 2022 Total					17,600,000	3,500,000	21,100,000
Plan Year 2023							
Golf Team Facility	24/33				2,500,000		2,500,000
Library Annex Addition	25/33				6,000,000		6,000,000
Capstone Hall Renovation	26/33		70,000,000				70,000,000
Maxcy College Renovation	27/33				5,000,000		5,000,000
School of Medicine VA Campus - Building #2 HVAC Renovation	28/33				1,375,000		1,375,000
Plan Year 2023 Total			70,000,000		14,875,000		84,875,000
Plan Year 2024							
Columbia Hall Maintenance Renovation	29/33		53,000,000				53,000,000
Volleyball Facility Construction	30/33				7,000,000		7,000,000
School of Medicine Building #1 HVAC Renovation	31/33				8,000,000		8,000,000
School of Medicine Building #4 HVAC Renovation	32/33				3,000,000		3,000,000
School of Medicine Building #4 Animal Space	33/33				1,375,000		1,375,000
Plan Year 2024 Total			53,000,000		19,375,000		72,375,000
University of South Carolina – Columbia Campus Total		75,350,000	504,000,000		202,140,000	3,500,000	784,990,000

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Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Lancaster Campus							
Plan Year 2020							
FY20 USC Lancaster Critical Maintenance and Repair	1/3	3,500,000					3,500,000
Plan Year 2020 Total		3,500,000					3,500,000
Plan Year 2021							
FY21 USC Lancaster Critical Maintenance and Repair	2/3	2,350,000					2,350,000
USC Lancaster Pedestrian Safety Bridge Overpass	3/3	5,000,000					5,000,000
Plan Year 2021 Total		7,350,000					7,350,000
University of South Carolina – Lancaster Campus Total		10,850,000					10,850,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Salkehatchie Campus							
Plan Year 2020							
FY20 USC Salkehatchie Critical Maintenance and Repair	1/2	1,391,500					1,391,500
Plan Year 2020 Total		1,391,500					1,391,500
Plan Year 2021							
FY21 USC Salkehatchie Critical Maintenance and Repair	2/2	2,413,000					2,413,000
Plan Year 2021 Total		2,413,000					2,413,000
University of South Carolina – Salkehatchie Campus Total		3,804,500					3,804,500

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Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Sumter Campus							
Plan Year 2020							
Sumter Science Building Renovation II	1/6	2,250,000					2,250,000
FY20 USC Sumter Critical Maintenance and Repair	2/6	1,345,000					1,345,000
Plan Year 2020 Total		3,595,000					3,595,000
Plan Year 2021							
Facilities Management Center	3/6		2,600,000				2,600,000
USC Sumter Campus Facility Renovations and Upgrades	4/6	7,750,000					7,750,000
Plan Year 2021 Total		7,750,000	2,600,000				10,350,000
Plan Year 2022							
Renovate Student Union	5/6		1,500,000				1,500,000
Plan Year 2022 Total			1,500,000				1,500,000
Plan Year 2024							
Business Administration Building Maintenance Renovation	6/6					2,000,000	2,000,000
Plan Year 2024 Total						2,000,000	2,000,000
University of South Carolina – Sumter Campus Total		11,345,000	4,100,000			2,000,000	17,445,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Union Campus							
Plan Year 2020							
FY20 USC Union Critical Maintenance and Repair	1/3	1,360,000					1,360,000
Plan Year 2020 Total		1,360,000					1,360,000
Plan Year 2021							
FY21 USC Union Critical Maintenance and Repair	2/3	1,675,000					1,675,000
Truluck Gymnasium Renovation	3/3		990,000		210,000		1,200,000
Plan Year 2021 Total		1,675,000	990,000		210,000		2,875,000
University of South Carolina – Union Campus Total		3,035,000	990,000		210,000		4,235,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
University of South Carolina – Upstate Campus							
Plan Year 2020							
Hall Parcel Land Acquisition	1/8				385,000		385,000
Smith Science Building Renovation	2/8	3,000,000					3,000,000
Plan Year 2020 Total		3,000,000			385,000		3,385,000
Plan Year 2021							
College of Business 3rd Floor Renovation	3/8				3,500,000		3,500,000
Smith Science Building Expansion	4/8	5,000,000					5,000,000
FY21 USC Upstate Deferred Maintenance	5/8	1,000,000			1,000,000		2,000,000
Plan Year 2021 Total		6,000,000			4,500,000		10,500,000
Plan Year 2024							
Construct New Arena/Convocation Center	6/8	10,000,000	40,000,000		20,000,000		70,000,000
Addition/Renovation of Existing Library	7/8	17,000,000					17,000,000
Track and Field Facility Construction	8/8				3,550,000		3,550,000
Plan Year 2024 Total		27,000,000	40,000,000		23,550,000		90,550,000
University of South Carolina – Upstate Campus Total		36,000,000	40,000,000		28,435,000		104,435,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Winthrop University							
Plan Year 2020							
Replacement of Electric Distribution System	1/23	800,000		1,200,000			2,000,000
General Building Infrastructure and Building Envelope Upgrade: McLaurin Hall, Johnson Hall, Winthrop Coliseum, Dinkins Hall, and Joynes Hall	2/23	5,150,000					5,150,000
Replacement of Underground Steam & Condensate Pipes	3/23	2,000,000					2,000,000
Fire Alarm Replacement / Upgrade: Johnson Hall, Bancroft Hall, Joynes Hall, and Thurmond Hall	4/23	1,250,000					1,250,000
Auxiliary Building Infrastructure and Building Envelope Upgrade: Lee Wicker Residence Hall and Phelps Residence Hall	5/23				1,400,000		1,400,000
Plan Year 2020 Total		9,200,000		1,200,000	1,400,000		11,800,000
Plan Year 2021							
Auxiliary Building Infrastructure and Building Envelope Upgrade: Margaret Nance Residence Hall and Roddey Residence Hall	6/23				1,400,000		1,400,000
Auxiliary Building Mechanical System Replacement & Upgrades: Lee Wicker Residence Hall and Margaret Nance Residence Hall	7/23				6,200,000		6,200,000
Campus Wifi Upgrade	8/23	1,300,000					1,300,000
Thomson Cafeteria	9/23				15,000,000		15,000,000
General Building Mechanical System Replacement & Upgrades: Joynes Hall	10/23	1,000,000					1,000,000
Fire Alarm Replacement / Upgrade: McBryde Hall, Dacus Library, Dinkins Hall, and Dalton Hall	11/23	1,000,000					1,000,000
Plan Year 2021 Total		3,300,000			22,600,000		25,900,000
Plan Year 2022							
General Building Mechanical System Replacement & Upgrades: Thurmond Hall	12/23	1,000,000					1,000,000
Multi-Media & Research Hub	13/23	7,000,000					7,000,000
Boiler Plant Expansion	14/23	1,500,000					1,500,000
General Science Building Addition: Dalton Hall	15/23	23,000,000					23,000,000
General Science Building Addition: Sims Hall	16/23	9,000,000					9,000,000
Plan Year 2022 Total		41,500,000					41,500,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Senior Institutions and Regional Campuses	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Winthrop University							
Plan Year 2023							
Residence Hall	17/23				24,000,000		24,000,000
General Building Infrastructure and Building Envelope Upgrade: Crawford Hall, Facilities Management, and Operations	18/23	1,200,000					1,200,000
General Building Mechanical System Replacement & Upgrades: McLaurin Hall	19/23	1,000,000					1,000,000
Plan Year 2023 Total		2,200,000			24,000,000		26,200,000
Plan Year 2024							
General Building Infrastructure and Building Envelope Upgrade: Central Energy Plant, McBryde Hall, and Dacus Library	20/23	1,800,000					1,800,000
General Building Mechanical System Replacement & Upgrades: Kinard Hall	21/23	1,000,000					1,000,000
Coliseum Practice Facility	22/23				12,000,000		12,000,000
Arts & Technology Facility	23/23				9,000,000		9,000,000
Plan Year 2024 Total		2,800,000			21,000,000		23,800,000
Winthrop University Total		59,000,000		1,200,000	69,000,000		129,200,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Aiken Technical College							
Plan Year 2021							
Nursing Education Center	1/7	3,000,000	5,844,000				8,844,000
Ashley J. Little Building 2nd Floor Renovation	2/7	4,000,000					4,000,000
Gregg-Graniteville Student Activities Center Renovation	3/7	2,500,000					2,500,000
Learning Resource Center Renovation	4/7	1,000,000					1,000,000
Plan Year 2021 Total		10,500,000	5,844,000				16,344,000
Plan Year 2022							
300 Building Renovation	5/7	640,000			300,000		940,000
Access Road Extension	6/7					1,156,000	1,156,000
Plan Year 2022 Total		640,000			300,000	1,156,000	2,096,000
Plan Year 2024							
Classroom & Student Services Building	7/7	19,200,000					19,200,000
Plan Year 2024 Total		19,200,000					19,200,000
Aiken Technical College Total		30,340,000	5,844,000		300,000	1,156,000	37,640,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Central Carolina Technical College							
Plan Year 2021							
Facility Maintenance--Main Campus & F.E. Dubose Campus	1/6	4,500,000			500,000		5,000,000
Plan Year 2021 Total		4,500,000			500,000		5,000,000
Plan Year 2022							
Kershaw campus expansion	2/6	8,336,000		2,084,000			10,420,000
Natural Resources/Environmental Training Center	3/6	6,294,650			1,573,663		7,868,313
Main campus building renovations	4/6	5,000,000					5,000,000
Plan Year 2022 Total		19,630,650		2,084,000	1,573,663		23,288,313
Plan Year 2023							
Student Center-main campus	5/6	8,811,029			2,202,757		11,013,786
Plan Year 2023 Total		8,811,029			2,202,757		11,013,786
Plan Year 2024							
Facility Maintenance--Main Campus & F.E. Dubose Campus	6/6	1,000,000					1,000,000
Plan Year 2024 Total		1,000,000					1,000,000
Central Carolina Technical College Total		33,941,679		2,084,000	4,276,420		40,302,099

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Denmark Technical College							
Plan Year 2021							
Renovation of Campus Labs for Welding and Nursing (Building 200 and Building 028)	1/6	8,000,000					8,000,000
Renovation of Culinary Arts Lab and Classrooms (Building 023 Cafeteria)	2/6	1,500,000					1,500,000
Renovation of Tutorial/Study Labs (Smith Hall Building 025)	3/6	750,000					750,000
Creation of Cybersecurity Lab and Rooms to House Students in the Program (Edisto Hall Building 700)	4/6			2,000,000			2,000,000
Plan Year 2021 Total		10,250,000		2,000,000			12,250,000
Plan Year 2022							
Early Childhood Development Center	5/6	692,000					692,000
Plan Year 2022 Total		692,000					692,000
Plan Year 2023							
Information Technology/Academic Support Center	6/6	5,500,000					5,500,000
Plan Year 2023 Total		5,500,000					5,500,000
Denmark Technical College Total		16,442,000		2,000,000			18,442,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Florence-Darlington Technical College							
Plan Year 2020							
5000 Building Walkway Bridge Repair and Renovation	1/14	1,000,000					1,000,000
100, 300, 400 Buildings Renovations	2/14	1,374,702					1,374,702
Life Safety and Security Improvements agency wide.	3/14	800,000					800,000
Demolition of 400 Building	4/14	450,000					450,000
600 Building Roof Replacement	5/14	300,000					300,000
Central Energy Plant Upgrades	6/14	1,300,000					1,300,000
Health Science Campus Façade Restoration and Roof Replacement	7/14	760,000					760,000
Plan Year 2020 Total		5,984,702					5,984,702
Plan Year 2021							
200 Building / Welding Labs Renovation	8/14	3,000,000					3,000,000
Master Plan- Student Success Center	9/14	22,500,000					22,500,000
Plan Year 2021 Total		25,500,000					25,500,000
Plan Year 2022							
Campus Infrastructure Reconfigurations – Main Campus	10/14	5,000,000					5,000,000
Plan Year 2022 Total		5,000,000					5,000,000
Plan Year 2023							
Truck Driver Training Facility	11/14	5,500,000					5,500,000
Plan Year 2023 Total		5,500,000					5,500,000
Plan Year 2024							
5000 Building Renovation	12/14	5,000,000		2,000,000			7,000,000
Physical Plant/Maintenance Shop Building	13/14	2,600,000					2,600,000
Hartsville- Satellite Campus	14/14	8,000,000					8,000,000
Plan Year 2024 Total		15,600,000		2,000,000			17,600,000
Florence-Darlington Technical College Total		57,584,702		2,000,000			59,584,702

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Greenville Technical College							
Plan Year 2020							
Bldg. 602 Demolition - Project 6124	1/11				1,666,639		1,666,639
Plan Year 2020 Total					1,666,639		1,666,639
Plan Year 2021							
Parking Lot R Construction - Barton Campus	2/11				1,320,000		1,320,000
Arts and Health Sciences Building Construction - Barton Campus	3/11	37,900,000					37,900,000
Bldg. 104 Renovation - Barton Campus	4/11				19,250,000		19,250,000
Plan Year 2021 Total		37,900,000			20,570,000		58,470,000
Plan Year 2022							
Building 117 Renovation - Barton Campus	5/11				4,000,000		4,000,000
Plan Year 2022 Total					4,000,000		4,000,000
Plan Year 2023							
Unity Park Construction - Barton Campus	6/11				3,000,000		3,000,000
Bldg. 103 Renovation - Barton Campus	7/11				20,130,000		20,130,000
Bldg. 112 Renovation - Barton Campus	8/11				3,300,000		3,300,000
Plan Year 2023 Total					26,430,000		26,430,000
Plan Year 2024							
Bldg. 302 Addition - Benson Campus	9/11				5,600,000		5,600,000
Automotive Complex Construction - Brashier Campus	10/11	42,900,000					42,900,000
Entry/Exit Road Construction - Northwest Campus	11/11				2,750,000		2,750,000
Plan Year 2024 Total		42,900,000			8,350,000		51,250,000
Greenville Technical College Total		80,800,000			61,016,639		141,816,639

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Horry-Georgetown Technical College							
Plan Year 2020							
Renovation of Georgetown Building Exteriors and Campus Infrastructure	1/9				3,500,000		3,500,000
Renovation of Grand Strand Building 100 Interior	2/9				6,500,000		6,500,000
Expansion of Conway Building 1400 - Diesel Engine Training Facility	3/9				2,000,000		2,000,000
Plan Year 2020 Total					12,000,000		12,000,000
Plan Year 2021							
Renovation of Grand Strand Building 600	4/9	5,000,000					5,000,000
Plan Year 2021 Total		5,000,000					5,000,000
Plan Year 2022							
Renovate and Expand Conway Buildings 500, 600, 700, 800, & 900	5/9				21,000,000		21,000,000
Acquisition of Real Property- Land/Building - Conway	6/9				2,000,000		2,000,000
Construction of General Purpose Classroom Building - Conway	7/9	35,000,000					35,000,000
Plan Year 2022 Total		35,000,000			23,000,000		58,000,000
Plan Year 2023							
Construction of General Purpose Classroom Building - Grand Strand	8/9	25,000,000					25,000,000
Plan Year 2023 Total		25,000,000					25,000,000
Plan Year 2024							
Construction of General Purpose Classroom Building - Georgetown	9/9	20,000,000					20,000,000
Plan Year 2024 Total		20,000,000					20,000,000
Horry-Georgetown Technical College Total		85,000,000			35,000,000		120,000,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Midlands Technical College							
Plan Year 2020							
Airport Campus - Academic Center Learning Resource Center Improvements	1/2				2,500,000		2,500,000
Plan Year 2020 Total					2,500,000		2,500,000
Plan Year 2021							
Airport Campus - Granby Hall	2/2	6,480,000			1,620,000		8,100,000
Plan Year 2021 Total		6,480,000			1,620,000		8,100,000
Midlands Technical College Total		6,480,000			4,120,000		10,600,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Northeastern Technical College							
Plan Year 2020							
Multi-use Instructional Building	1/7	3,500,000			160,000	757	3,660,757
Plan Year 2020 Total		3,500,000			160,000	757	3,660,757
Plan Year 2022							
Phase II Renovations - Marlboro County Industry Training Center	2/7	1,102,099		4,408,398	250,000		5,760,497
NETC Technology Center - Dillon	3/7	6,000,000		3,168,640	2,157,327		11,325,967
Plan Year 2022 Total		7,102,099		7,577,038	2,407,327		17,086,464
Plan Year 2023							
NETC Modernization & Upgrade to Existing Cheraw Campus	4/7	3,500,000			300,000		3,800,000
Phase III - Marlboro County Industrial Training Center	5/7	1,200,000		1,800,000			3,000,000
Plan Year 2023 Total		4,700,000		1,800,000	300,000		6,800,000
Plan Year 2024							
Facility Maintenance - Cheraw Campus	7/7	2,475,000			125,000		2,600,000
Plan Year 2024 Total		2,475,000			125,000		2,600,000
Northeastern Technical College Total		17,777,099		9,377,038	2,992,327	757	30,147,221

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Orangeburg-Calhoun Technical College							
Plan Year 2021							
Renovation of existing nursing/health science building - Building K	1/4	4,000,000					4,000,000
Building A-J Renovations (HVAC and Electrical Replacements/Upgrades, Other Renovations)	2/4	3,000,000					3,000,000
Renovation of Buildings L, M, N	3/4	4,000,000					4,000,000
Plan Year 2021 Total		11,000,000					11,000,000
Plan Year 2022							
Advanced Manufacturing Training Facility (either new construction or an addition to existing facility)	4/4	7,000,000			3,000,000		10,000,000
Plan Year 2022 Total		7,000,000			3,000,000		10,000,000
Orangeburg-Calhoun Technical College Total		18,000,000			3,000,000		21,000,000

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Piedmont Technical College							
Plan Year 2021							
Nursing and Science Building Addition/Renovations	1/9	7,320,000			1,830,000		9,150,000
Sheet Metal Training Complex	2/9	1,792,000			448,000		2,240,000
Plan Year 2021 Total		9,112,000			2,278,000		11,390,000
Plan Year 2022							
H,S,G and C Renovations	3/9	2,277,008			569,252		2,846,260
Elevator and Ramp Renovations to D and F Buildings	4/9	1,120,000			280,000		1,400,000
V Building Renovations	5/9	1,596,320			399,080		1,995,400
Plan Year 2022 Total		4,993,328			1,248,332		6,241,660
Plan Year 2023							
Piedmont Technical College Energy Initiatives	6/9	2,576,000			644,000		3,220,000
Piedmont Technical College Parking Lot Repair and Replace Project	7/9	1,792,000			448,000		2,240,000
Plan Year 2023 Total		4,368,000			1,092,000		5,460,000
Plan Year 2024							
County Campus Renovations and Deferred Maintenance (Abbeville, Edgefield, McCormick, Laurens, and Saluda Campuses)	8/9	3,645,760			911,440		4,557,200
Newberry County Deferred Maintenance	9/9	1,110,144			277,536		1,387,680
Plan Year 2024 Total		4,755,904			1,188,976		5,944,880
Piedmont Technical College Total		23,229,232			5,807,308		29,036,540

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Spartanburg Community College							
Plan Year 2020							
Central Campus - Central Energy Plant Chiller & Cooling Tower Replacement/Upgrade	1/15				550,000		550,000
Cherokee County Campus - Parris Bldg Renovations Early College	2/15	200,000					200,000
Central Campus - Powers Building B-Wing & C-Wing Roof Replacements	3/15				544,000		544,000
Tyger River Campus - TRB 86 Warehouse Roof Replacement	4/15				163,000		163,000
Central Campus - Powers Building B-Wing Laboratory Renovations	5/15				709,000		709,000
Cherokee County Campus - Welchel Road Right-of Way Access Road Acquisition	6/15				120,000		120,000
Plan Year 2020 Total		200,000			2,086,000		2,286,000
Plan Year 2021							
Central Campus Academic/Student Services Classroom Building	7/15	25,674,000					25,674,000
SCC Central Campus Property Acquisition	8/15				6,020,000		6,020,000
Union County Campus-Building Expansion	9/15	4,800,000					4,800,000
Central Campus - Powers Building D-Wing Roof Replacement	10/15				352,000		352,000
Central Campus - Powers Building B-Wing HVAC & Interior Finish Renovations	11/15				1,000,000		1,000,000
SCC Center for Business & Entrepreneurial Development Expansion Renovations	12/15	2,207,000					2,207,000
Plan Year 2021 Total		32,681,000			7,372,000		40,053,000
Plan Year 2022							
Central Campus - Powers Building A-Wing HVAC & Interior Finish Renovations	13/15				750,000		750,000
Plan Year 2022 Total					750,000		750,000
Plan Year 2023							
Central Campus - Ledbetter Building Renovations (HVAC System and Interior Finish Upgrades).	14/15	751,400					751,400
Plan Year 2023 Total		751,400					751,400

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Spartanburg Community College							
Plan Year 2024							
Central Campus - Hull Building Roof Replacement	15/15				1,430,250		1,430,250
Plan Year 2024 Total					1,430,250		1,430,250
Spartanburg Community College Total		33,632,400			11,638,250		45,270,650

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Technical College of the Lowcountry							
Plan Year 2021							
Interior Renovation Building 8 (Historic Moor Hall) and Interior Renovation Building 6	1/2	5,000,000					5,000,000
Plan Year 2021 Total		5,000,000					5,000,000
Plan Year 2023							
Regional Workforce Development Center - Bluffton/New River Campus	2/2	15,000,000					15,000,000
Plan Year 2023 Total		15,000,000					15,000,000
Technical College of the Lowcountry Total		20,000,000					20,000,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Tri-County Technical College							
Plan Year 2020							
Pendleton Campus Fulp Hall Renovation	1/8				1,400,000		1,400,000
Pendleton Campus Miller Hall	2/8				1,500,000		1,500,000
Pendleton Campus Anderson Hall / Student Center Renovation	3/8				1,500,000		1,500,000
Plan Year 2020 Total					4,400,000		4,400,000
Plan Year 2021							
Pendleton Campus Oconee Hall Renovation for Active Learning/Life Safety	4/8	6,000,000					6,000,000
Plan Year 2021 Total		6,000,000					6,000,000
Plan Year 2022							
Pendleton Campus, Industrial Technology Center Automotive Program relocation/expansion	5/8	500,000			2,500,000		3,000,000
Plan Year 2022 Total		500,000			2,500,000		3,000,000
Plan Year 2023							
Pendleton Campus, Wilson Hall Renovation	6/8				3,000,000		3,000,000
Plan Year 2023 Total					3,000,000		3,000,000
Plan Year 2024							
Pendleton Campus, Pickens Hall Renovation	7/8				8,000,000		8,000,000
Pendleton Campus, Anderson Hall Renovation	8/8				1,500,000		1,500,000
Plan Year 2024 Total					9,500,000		9,500,000
Tri-County Technical College Total		6,500,000			19,400,000		25,900,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Trident Technical College							
Plan Year 2020							
Replace HVAC, Administration Building, B900, Thornley Campus	1/7				950,000		950,000
Plan Year 2020 Total					950,000		950,000
Plan Year 2021							
Renovation Main Building, Berkeley Campus	2/7	25,600,000			6,400,000		32,000,000
Upgrade Underground Electrical System, Thornley Campus	3/7	1,600,000					1,600,000
Renovate Science Labs, Engineering Technology Building, B700, Thornley Campus	4/7	975,000					975,000
Plan Year 2021 Total		28,175,000			6,400,000		34,575,000
Plan Year 2022							
Replace HVAC Phase III, Palmer Campus	5/7				1,000,000		1,000,000
Plan Year 2022 Total					1,000,000		1,000,000
Plan Year 2023							
Replace HVAC Air Handling Units, Business Technology Building, B200, Thornley Campus	6/7				1,000,000		1,000,000
Plan Year 2023 Total					1,000,000		1,000,000
Plan Year 2024							
Replace HVAC Phase IV, Palmer Campus	7/7				1,000,000		1,000,000
Plan Year 2024 Total					1,000,000		1,000,000
Trident Technical College Total		28,175,000			10,350,000		38,525,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Williamsburg Technical College							
Plan Year 2021							
Science and Technology Building	2/2	18,000,000			2,000,000		20,000,000
Weatherazation energy and infrastructure upgrades	2/2	1,250,000					1,250,000
Plan Year 2021 Total		19,250,000			2,000,000		21,250,000
Williamsburg Technical College Total		19,250,000			2,000,000		21,250,000

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COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Technical Colleges	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
York Technical College							
Plan Year 2021							
Renovate K Building	1/3	7,478,640					7,478,640
Renovate H Building	2/3	3,270,818					3,270,818
Baskins Road Corridor Renovations	3/3	2,473,927					2,473,927
Plan Year 2021 Total		13,223,385					13,223,385
York Technical College Total		13,223,385					13,223,385

STATE OF SOUTH CAROLINA
COMPREHENSIVE PERMANENT IMPROVEMENT PLAN

Summary of Proposed Permanent Improvement Projects

Transportation	Rank	State	Debt	Federal	Other	Unidentified	Total Sources
Aeronautics Commission							
Plan Year 2020							
Exterior Windows & Paint: Wilder Building	1/2	275,000					275,000
Plan Year 2020 Total		275,000					275,000
Plan Year 2021							
Roofing and Coatings: Main Hangar, Guard Building, and Quonset Hangar	2/2	300,000					300,000
Plan Year 2021 Total		300,000					300,000
Aeronautics Commission Total		575,000					575,000

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

State Fiscal Accountability Authority approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

Establish Project for A&E Design

- (a) Summary 4-2020: JBRC Item 1. (H15) College of Charleston
 Project: 9669, Addlestone Library Envelope Repairs & Interior Modifications
 Included in Annual CPIP: Yes – 2019 CPIP Priority 8 of 10 in FY20 (estimated at \$4,000,000)
 JBRC/SFAA Phase I Approval: N/A
 CHE Recommended Approval: 12/5/19

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Capital Project Institutional	-	-	-	80,000	80,000
All Sources	=	=	=	<u>80,000</u>	<u>80,000</u>

Request Amount: \$80,000. The Phase I request is 2.00% of the estimated cost to complete the project and the additional funds will be used to cover the costs of destructive sampling/testing of the roof membrane and exterior stucco, plus consultant fees for exhibit design/curation for the Rivers Communication Museum.

Fund Source (Phase I): Other, Capital Project Institutional Funds, which are revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. Currently, \$395 of the \$878 per semester fee is available to fund the CPIF. (Balance: \$8.4 million uncommitted)

Fund Source (Phase II): Proposed; Other, Capital Project Institutional Funds. Other, Excess College of Charleston Libraries Operational Funds. Other, Gifted Private Funds.

Request: Establish project and budget for exterior and 1st floor interior improvements to the Addlestone Library. The Addlestone Library is a 151,306 gross square foot three-level facility built in 2004. Moisture intrusion has damaged furniture and collections. The building envelope requires repairs to address water intrusion from the roof, windows and exterior wall failures. Interior work will modernize two 1st floor computer labs. One will be converted to a Digital Media Lab for movie/video editing and post production. The other will contain flexible furnishings to function as a classroom as well as a lab. Student study areas on 1st and 2nd floors will be expanded, adding electrical power, internet access and new seating. The circulation and reference desk functions will be centralized to release current staff space to relocate the John M. Rivers Communications Museum from its (temporarily closed) location at 58 George Street to an ADA accessible facility. The museum's existing collection highlights transformative technological broadcasting and communication innovations up to the dawn of the 21st century that transformed how we communicate today. The last significant renovation was in 2011 and included the 2nd and 3rd floors, leaving the 1st floor unaffected.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Affected:	10,130 students / 2,200 faculty & staff
Total Cost:	\$4,000,000
Savings:	\$7,500 (year 1), \$7,800 (year 2), \$8,110 (year 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (b) Summary 4-2020: JBRC Item 2. (H15) College of Charleston
 Project: 9670, Multicultural Center Renovation
 Included in Annual CPIP: Yes – 2019 CPIP Priority 4 of 10 in FY20 (estimated at \$2,500,000)
 JBRC/SFAA Phase I Approval: N/A
 CHE Recommended Approval: 12/5/19

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Capital Project Institutional	-	-	-	62,500	62,500
All Sources	=	=	=	<u>62,500</u>	<u>62,500</u>

Request Amount: \$62,500. The Phase I request is 2.50% of the estimated cost to complete the project and the additional funds will be used to cover the costs of hazardous material sampling/analysis, destructive testing/sampling of exterior stucco, plus consultant fees for a Construction Manager At-Risk, pending OSE approval.

Fund Source (Phase I): Other, Capital Project Institutional Funds, which are revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. Currently, \$395 of the \$878 per semester fee is available to fund the CPIF. (Balance: \$8.4 million uncommitted)

Fund Source (Phase II): Proposed; Other, Capital Project Institutional Funds.

Request: Establish project and budget to address envelope issues, exterior repairs/renovations, structural repairs, infrastructure modernization, landscaping and a refresh of the interiors. The Multicultural Center (Richard Brennan House) is a four-level, 8,287 gross square foot prominent historic building at the western gateway of campus, constructed in 1817 and acquired in 2002. The building has significant structural issues on the two-level piazza, decayed structural/aesthetic wood elements (columns, windows, railings and trim), stucco cracks, minor roof leaks and noncompliant wheelchair access. The current wheelchair access (built in-house) does not meet ADA requirements and only allows access to the porch, not the building's interior. Certain parts of the porch are blocked for structural issues. A structural condition assessment was commissioned in May 2011 with an update currently in progress that will determine if temporary shoring/bracing is required. Since the initial assessment was completed, the fire escape was stabilized and repainted, replacing only the 2ft of support columns. Other conditions have worsened since the report was issued. The roof was replaced in 2007 but needs minor repairs. The stucco and structural elements are believed to be original with various small repairs occurring over the years. Most, if not all windows and shutters are believed to be original. The project will attempt to restore as many components as possible in accordance with the State Historic Preservation Office and national historic preservation best practices. Visible components will be replaced only if they cannot be restored.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Affected: 10,000+ students / 11 full-time staff / 5 student assistants

Total Cost: \$2,500,000

Savings: \$9,780 (year 1), \$10,170 (year 2), \$10,580 (year 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

(c) **Summary 4-2020:** JBRC Item 3. (H15) College of Charleston

Project: 9671, Silcox PE & Health Center Envelope Repair & First Floor Renovation

Included in Annual CPIP: Yes – 2019 CPIP Priority 5 of 10 in FY20 (estimated at \$5,500,000)

JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 12/5/19

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Capital Project Institutional	-	-	-	137,500	137,500
All Sources	=	=	=	<u>137,500</u>	<u>137,500</u>

Request Amount: \$137,500. The Phase I request is 2.50% of the estimated cost to complete the project and the additional funds will be used to cover the costs of hazardous material sampling/analysis, destructive testing/sampling of exterior stucco, plus consultant fees for a Construction Manager At-Risk, pending OSE approval.

Fund Source (Phase I): Other, Capital Project Institutional Funds, which are revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. Currently, \$395 of the \$878 per semester fee is available to fund the CPIF. (Balance: \$8.4 million uncommitted)

Fund Source (Phase II): Proposed; Other, Capital Project Institutional Funds.

Request: Establish project and budget for exterior renovations to correct envelope deficiencies and an interior renovation of the 1st floor (18,059 gross square feet) to upgrade restrooms to ADA compliance, replace classroom technology and furnishings, improve emergency egress and better utilize existing space. The Silcox Physical Education & Health Center is a 48,904 gross square foot four-level facility built in 1939 and houses a mix of classrooms, one indoor sports space and health science labs and academic offices for the Department of Health and Human Performance. No significant exterior renovations have occurred since construction. The roof decking shows deflection and signs of water infiltration. Moisture intrusion is creating indoor air quality issues, requiring the college to find alternate spaces for some classes and student activities. The original slate roof and windows (previously repaired), require complete replacement. Stucco is failing at rusting lintels and displays stains and cracks and therefore will require partial replacement. The doors are about 50 years old and require complete replacement.

Affected: 10,000+ students / 23 faculty / 2 staff

Total Cost: \$5,500,000

Savings: \$9,780 (year 1), \$10,170 (year 2), \$10,580 (year 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

(d) **Summary 4-2020:** JBRC Item 4. (H15) College of Charleston

Project: 9672, Wentworth Parking Garage Renovation

Included in Annual CPIP: Yes – 2019 CPIP Priority 3 of 10 in FY20 (estimated at \$2,500,000)

JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 12/5/19

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Auxiliary Parking Revenues	-	-	-	62,500	62,500
All Sources	=	=	=	<u>62,500</u>	<u>62,500</u>

Request Amount: \$62,500. The Phase I request is 2.50% of the estimated cost to complete the project and the additional funds will be used to cover the costs of destructive testing, as well as the feasibility study to determine if additional floors or demolition/replacement are viable in the future.

Fund Source (Phase I): Other, Auxiliary Parking Revenue Funds, which are revenues generated through parking fees paid by individuals who apply for and receive parking. The parking fee varies based on classification (student or faculty/staff) and parking lot or garage location. The revenues are used solely for the operation, maintenance, renovation, repair, and debt service of this specific auxiliary enterprise. (Balance: \$6.5 million uncommitted)

Fund Source (Phase II): Proposed; Other, Auxiliary Parking Revenue Funds.

Request: Establish project and budget to address structural deficiencies, elevator modernization, restriping of parking spaces and travel lanes, and replace access control equipment and software. Wentworth Parking Garage is a 210,600 gross square foot five-level 515-space facility built in 1984 on City of Charleston Property. The college owns the garage and has a joint operating agreement with the city allowing parking for both entities. The exterior stairwell's foundation appears to have settled, causing the stairwell structure to pull away from the garage structure. A breezeway beam corbel has cracked in half. Breezeway slabs have separated from the garage by 1-2". Exposed rusting reinforcement bars in concrete beams, columns, slabs and stairwells are leading to cracking, spalling and water intrusion. A large masonry crack has appeared in the elevator shaft. Vehicular barriers are non-existent. Metal guardrails and handrails between levels are inadequate, ADA noncompliant and rusting. The machine room roof and façade of the elevator are severely damaged with part of the metal siding missing. The access control equipment is approximately 20 years old, experiencing routine failures and beyond its useful life. The technology used to operate the equipment is outdated and does not allow for automation. A feasibility study is being independently conducted to explore opportunities for additional levels or demolition/replacement in later years.

Affected: 515 parking spaces; 70 student / 300 faculty and staff / 145 public parking

Total Cost: \$2,500,000

Savings: \$10,500 (year 1), \$10,920 (year 2), \$11,360 (year 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

(e) **Summary 4-2020:** JBRC Item 5. (H21) Lander University

Project: 9541, Field House II Development

Included in Annual CPIP: No – Construction cost was unknown but anticipated to be below the permanent improvement project threshold at the time of the 2019 CPIP submission.

JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 12/5/19

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Lander Foundation	-	-	-	23,850	23,850
All Sources	=	=	=	<u>23,850</u>	<u>23,850</u>

Request Amount: \$23,850. The Phase I request is 1.50% of the estimated cost to complete the project.

Fund Source (Phase I): Other, Lander Foundation RWS (Recreation, Wellness & Sports) Properties, LLC Funds, which was established for the purposes of financing the athletic complex for Lander University. (Balance: \$380K uncommitted)

Fund Source (Phase II): Proposed; Other, Lander Foundation Funds. JEDA Bonds, Series 2020A with a lease by the university securing the transaction.

Request: Establish project and budget to renovate the interior of a vacant 17,800 square foot warehouse building, constructed in the 1960's, located on the Lander Athletic Complex and owned by the Lander Foundation RWS, LLC. The building was once a public gym. The renovation will convert the interior into a field house for the wrestling team, the men's and women's lacrosse teams, coach's offices, weight room, the training area for the wrestling team, locker rooms, restroom/shower facilities, while reserving three spaces for team meeting rooms or locker rooms. The above-mentioned sports currently do not have team facilities and are operating in previously reserved student recreation areas and out of portable sheds. The renovation will consist of an HVAC upgrade, plumbing upgrades to include restroom expansions, lighting upgrades, fire alarm system, fire protection sprinkler system modifications, floor space division, interior wall finishing, flooring, and ceilings. Utility upgrades will target energy reduction and energy conservation initiatives. This permanent improvement project was referenced in the University's lease request approved by the State Fiscal Accountability Authority at its October 15, 2019 meeting.

Affected: 46 Wrestling / 30 Women's Lacrosse / 35 Men's Lacrosse / 5 Coaches / 1 Strength Coach / 1 Training

Total Cost: \$1,590,000

Costs: \$11,520 (year 1), \$25,206 (year 2), \$26,300 (year 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

(f) Summary 4-2020: JBRC 6. (H21) Lander University

Project: 9542, Intramural Field Renovation

Included in Annual CPIP: No – At the time of the 2019 CPIP submission it was unknown that the project would exceed \$1 million.

JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 12/5/19

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Lander Foundation	-	-	-	18,750	18,750
All Sources	=	=	=	<u>18,750</u>	<u>18,750</u>

Request Amount: \$18,750. The Phase I request is 1.50% of the estimated cost to complete the project.

Fund Source (Phase I): Other, Lander Foundation RWS (Recreation, Wellness & Sports) Properties, LLC Funds, which was established for the purposes of financing the athletic complex for Lander University. (Balance: \$380K uncommitted)

Fund Source (Phase II): Proposed; Other, Lander Foundation Funds. JEDA Bonds, Series 2020A with a lease by the university securing the transaction.

Request: Establish project and budget to renovate the existing campus intramural field to allow for increased usage of the field by intramural sports, club sports, academic classes, collegiate athletics practice for Men's and Women's Lacrosse and an occasional competition. The student intramural program will utilize this field throughout the year. The construction of the newest student-housing complex used this field for a lay-down area disturbing the field surface and irrigation. The former lighting system is inoperative with half of the fixtures removed to allow for the construction. The field renovation will include a synthetic re-surfacing, drainage system, new lighting system, scoreboard system and limited perimeter fencing. Currently the surface is natural grass and will be transitioned to artificial turf. Because the natural turf field cannot handle the water and wear and tear needed on a daily basis, a synthetic turf field is the best option. The improved field will allow for increased usage during all weather conditions and during expanded hours, which will improve the utilization of the field by the students. This permanent improvement project was referenced in the University's lease request approved by the State Fiscal Accountability Authority at its October 15, 2019 meeting.

Affected: 780 students

Total Cost: \$1,250,000

Costs: \$4,750 (year 1), \$12,300 (year 2), \$17,400 (year 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

(g) Summary 4-2020: JBRC Item 7. (H27) University of South Carolina - Columbia

Project: 6134, West Campus Parking Development

Included in Annual CIP: Yes – 2019 CIP Priority 10 of 14 in FY20 (estimated at \$6,500,000)

JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 01/09/20

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Greek Village Student Fees	-	-	-	50,000	50,000

Request Amount: \$50,000. The Phase I request is .0769% of the estimated cost to complete the project.

Fund Source (Phase I): Other, Greek Village Student Fee Funds, which are from a fee imposed on all Greek Village students beginning in FY17 for \$125 per semester. The fee is currently \$375 per semester and was discontinued in December 2019. (Balance: \$6.2 million uncommitted)

Fund Source (Phase II): Proposed; Other, Greek Village Student Fee Funds.

Request: Establish project and budget to develop on-grade asphalt-paved parking to serve Greek Village residents and non-resident fraternity and sorority members on and near the 700 block of Devine Street covering approximately 6 acres. A large number of students who participate in the Greek program return to the Village for meals and it is difficult for them to secure parking. This scope of work supplants a previous concept to construct a multi-story parking garage on the site. This project will provide less parking but be a significantly more economical alternative to a parking structure. This project will provide approximately 300 permanent spaces on land south of Devine Street. A separate internal project will provide gravel on an existing recreation field north of Devine Street which will enable the relocation of 500 non-Greek commuters who currently park on an existing lot across the street from this proposed gravel lot. The existing 500-space lot will be reassigned to Greek students to provide the total of 800 spaces described in the CIP. Surface parking is considered to be prudent due to the lower cost and in light of the changing paradigm of campus parking which indicates fewer students will use personal vehicles on campus in the future. The project will also explore options to park under the Blossom Street bridge. The number of cars that can ultimately be accommodated on the site will be dependent on an accurate survey, a storm drainage strategy, and landscaping requirements that must be confirmed with the City of Columbia during Phase I design. Spaces under the bridge, if provided, will hopefully be in addition to the 300 spaces on-site. The project will bear the cost of relocating the occupants in the 718 Devine Street building to the 707 Catawba Street building (owned by USC Development Foundation and currently leased by the university), by renovating the 707 Catawba Street building to accommodate School of Visual Art and Design student studios and a Theatre. The project will demolish the 718 Devine Street and 730 Devine Street buildings to clear the site for the parking lot.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Affected:	6,500 students
Total Cost:	\$3,735,000
Savings:	\$165,000 (years 1 thru 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (h) Summary 4-2020: JBRC Item 8. (H59) Greenville Technical College
 Project: 6160, Greenville – Parking Lot R Construction – Barton Campus
 Included in Annual CPIP: Yes – 2019 CPIP Priority 1 of 3 in FY21 (estimated at \$1,320,000)
 JBRC/SFAA Phase I Approval: N/A
 CHE Recommended Approval: 01/09/20

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, College Plant Maintenance	-	-	-	40,675	40,675
All Sources	=	=	=	<u>40,675</u>	<u>40,675</u>

Request Amount: \$40,675. The Phase I request is 1.50% of the estimated cost to complete the project.

Fund Source (Phase I): Other, College Plant Maintenance Funds, which are an accumulation of appropriated funds from Greenville County and used to perform maintenance and renovations to physical facilities of Greenville Technical College. (Balance: \$22.5 million uncommitted)

Fund Source (Phase II): Proposed; Other, College Plant Maintenance Funds.

Request: Establish project and budget to construct a new parking lot (Parking Lot R), for students and visitors in a vacant area adjacent to Building 102, Student Success Center, which is currently being renovated. The scope will include site development, storm water systems, sidewalks, new LED lighting and a new asphalt parking lot. The project will also rehab Parking Lot O and bring it up to relevant ADA and local code. This lot is adjacent to the new Parking Lot R. This lot is in need of repairs and repaving. This parking lot serves Building 106, Industrial Complex and Building 112, Dental Technology. Local ordinances require an existing parking lot to be brought up to comply with new ordinances when repairs are made to the pavement and or additions to the parking lot. Since a new parking area will be developed adjacent to this lot, some overlap is anticipated. Costs to provide the new drainage system for Parking Lot R will impact Parking Lot O which is why the decision was made to rehabilitate Parking Lot O at the same time. Parking Lot R will add approximately 428 spaces and Parking Lot O currently has 180 spaces. The estimated cost to complete the project reflected in the 2019 CPIP did not include the rehabilitation of Parking Lot O. At the time of the CPIP submission it was anticipated that the property where parking lot O is located would be used for the construction of a future planned building. In the fall of 2019 that plan was dismissed.

Affected: 12,000+ students and visitors / 94 staff

Total Cost: \$2,711,663

Costs: \$13,300 (years 1 thru 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (i) Summary 4-2020: JBRC Item 9. (D50) Department of Administration
 Project: 6046, Adjutant General Office Building – HVAC Systems Replacement
 Included in Annual CIP: Yes – 2019 CIP Priority 3 of 31 in FY20 (estimated at \$1,150,000)
 JBRC/SFAA Phase I Approval: N/A
 CHE Recommended Approval: N/A

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	-	-	-	18,570	18,570
All Sources	=	=	=	<u>18,570</u>	<u>18,570</u>

Request Amount: \$18,570 The Phase I request is 1.58% of the estimated cost to complete the project and the additional funds will be used to cover the costs of asbestos testing.

Fund Source (Phase I): Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies.
 (Balance: \$1.7 million uncommitted)

Fund Source (Phase II): Proposed; Other, Depreciation Reserve Funds.

Request: Establish project and budget for the replacement of HVAC systems including VAV boxes and associated ductwork on all levels of the 53,817 gross square foot Adjutant General Office Building located at 1 National Guard Road in Columbia. The building was constructed in 1985, making it 34 years old. The HVAC systems are original to the building and are past their useful life, leading to system inefficiency, periodic failure and disruption of service.

Affected: 1,500 staff and visitors

Total Cost: \$1,171,356

Savings: Have not yet been determined.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Establish Construction Budget

- (j) Summary 4-2020: JBRC Staff 13. (D50) Department of Administration
Project: 6023, Blatt Building – Replace Windows
Included in Annual CIP: Yes – 2019 CIP Priority 21 of 31 in FY20 (estimated at \$890,000)
JBRC/SFAA Phase I Approval: October 2019 (estimated at \$1,329,091)
CHE Recommended Approval: N/A

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Appropriated State	64,051	-	64,051	1,444,785	1,508,836
All Sources	<u>64,051</u>	<u>-</u>	<u>64,051</u>	<u>1,444,785</u>	<u>1,508,836</u>

Request Amount: \$1,444,785

Fund Source (Phase I): Appropriated State Funds.

Fund Source (Phase II): Appropriated State Funds. (Balance: \$3 million uncommitted)

Request: Establish Phase II and increase the budget for the replacement of the windows in the Solomon Blatt building located at the SC State Capitol Complex. The windows are original to the 41-year-old building constructed in 1978, past their useful life, and leaking in multiple areas. The current windows are single pane and the new windows will be double pane, tinted, insulated, and have a low-e coating. As such, the energy loss through the windows will be reduced by as much as 50%. The building is 155,162 gross square feet and is utilized by the SC House of Representatives for offices, conference and meeting room space. The estimated cost to complete the project has increased from the Phase I estimate due to a higher estimated contractor markup due to current climate of the construction industry. The agency anticipates execution of the construction contract in June 2020 and completion of construction in December 2020.

Affected: 80-100 daily / 330 from January to July

Total Cost: \$1,508,836

Costs/Savings: None

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (k) Summary 4-2020: JBRC Item 14. (D50) Department of Administration
 Project: 6024, Blatt Building - Replace VAV Terminal Reheat
 Included in Annual CIP: Yes – 2019 CIP Priority 4 of 31 in FY20 (estimated at \$705,000)
 JBRC/SFAA Phase I Approval: October 2019 (estimated at \$926,432)
 CHE Recommended Approval: N/A

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	49,356	-	49,356	993,131	1,042,487
All Sources	<u>49,356</u>	=	<u>49,356</u>	<u>993,131</u>	<u>1,042,487</u>

Request Amount: \$993,131

Fund Source (Phase I): Other, Depreciation Reserve Funds.

Fund Source (Phase II): Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies (Balance: \$1.7 million uncommitted)

Request: Establish Phase II and increase the budget to replace the terminal hot water reheat VAV boxes and associated ductwork on the 5th floor of the 41-year-old Solomon Blatt Building, which was constructed in 1978. The equipment and ductwork is original to the building and is past its useful life, leading to periodic failures and disruption of service. The scope will involve replacing 54 terminal hot water reheat VAV mechanical units to include associated duct work. The majority of this work will be performed above the ceiling on the 5th floor. The square footage of the 5th floor is 27,795 square feet. The building is utilized by the SC House of Representatives for offices, conference and meeting room space. The estimated cost to complete the project has increased from the Phase I estimate due to higher estimated contractor markup due to the current climate of the construction industry. The agency anticipates execution of the construction contract in June 2020 and completion of construction in December 2020.

Affected: 80-100 daily / 330 from January to July

Total Cost: \$1,042,487

Costs/Savings: \$46,560 (years 1 thru 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (I) Summary 4-2020: JBRC Item 15. (D50) Department of Administration
 Project: 6030, Marion Gressette Building – Replace Windows
 Included in Annual CIP: Yes – 2019 CIP Priority 20 of 31 in FY20 (estimated at \$862,137)
 JBRC/SFAA Phase I Approval: October 2019 (estimated at \$1,641,522)
 CHE Recommended Approval: N/A

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State	68,050	-	68,050	1,573,114	1,641,164
Other, Depreciation Reserve	-	-	-	279,986	279,986
All Sources	<u>68,050</u>	<u>-</u>	<u>68,050</u>	<u>1,853,100</u>	<u>1,921,150</u>

Request Amount: \$1,853,100

Fund Source (Phase I): Appropriated State Funds.

Fund Source (Phase II): Appropriated State Funds. (Balance: \$3 million uncommitted)

Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies (Balance: \$1.7 million uncommitted)

Request: Establish Phase II and increase the budget for the replacement of the windows in the Marion Gressette Building located at the SC State Capitol Complex. The windows are original to the 43-year-old building constructed in 1976, past their useful life, and leaking in multiple areas. The current windows are single pane and the new windows will be double pane, tinted, insulated, and have a low-e coating. As such, the energy loss through the windows will be reduced by as much as 50%. The building is 81,737 gross square feet and is utilized by the SC State Senate for offices, conference and meeting room space. The estimated cost to complete the project has increased from the Phase I estimate due to a higher estimated contractor markup due to current climate of the construction industry. The agency anticipates execution of the construction contract in June 2020 and completion of construction in December 2020.

Affected: 166 employees plus visitors

Total Cost: \$1,921,150

Costs/Savings: \$46,560 (years 1 thru 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (m) **Summary 4-2020:** JBRC Item 22. (P28) Department of Parks, Recreation & Tourism
Project: 9773, Hunting Island Road Repairs
Included in Annual CPIP: Yes – 2019 CPIP Priority 4 of 9 in FY20 (estimated at \$2,000,000)
Admin. Phase I Approval: January 2019 (estimated at \$1,000,000)
CHE Recommended Approval: N/A

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
FY19 Capital Reserve	15,000	-	15,000	1,785,000	1,800,000
Other, FY20 Proviso 49.18	-	-	-	400,000	400,000
Other, Park Revenue	-	-	-	555,000	555,000
All Sources	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>2,740,000</u>	<u>2,755,000</u>

Request Amount: \$2,740,000

Fund Source (Phase I): FY19 Capital Reserve Funds.

Fund Source (Phase II): FY19 Capital Reserve Funds. (Balance \$7.8 million uncommitted)

Other, FY20 Proviso 49.18, which authorizes PRT to use previously appropriated nonrecurring funds for state parks maintenance. (Balance: \$500K uncommitted)

Other, Park Revenue Funds, which is 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. (Balance \$3 million uncommitted)

Request: Establish Phase II and increase the budget for repairs and paving of the approximately 8 miles of roads at Hunting Island State Park. The roads are in need of repairs and resurfacing after several years of natural disasters compiled with decades of vehicular traffic. Per the agency, this park has been one of the most visited parks year after year. A FEMA grant will be received for \$555,000 to reimburse the Park Revenue fund source due to damages that occurred during hurricanes Matthew and Irma. The estimated cost to complete the project has increased from Phase I and the 2019 CPIP estimate because the FEMA reimbursement and an additional \$200,000 in Capital Reserve Funds were not included in the previous estimates. The agency anticipates execution of the construction contract in March 2020 and completion of construction in November 2020.

Affected: 800,000 visitors

Total Cost: \$2,755,000

Costs/Savings: None

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Phase II Increase

- (n) **Summary 4-2020:** JBRC Item 23. (E24) Office of the Adjutant General
 Project: 9812, Statewide Readiness Center Female Latrines
 Included in Annual CPIP: Yes – 2019 CPIP Priority 4 of 18 in FY20
 (this portion estimated at \$600,000 & estimated at \$2,650,000 for all 12 facilities)
 JBRC/SFAA Phase I Approval: August 2018 (estimated at \$2,233,435 for all 12 facilities)
 JBRC/SFAA Phase II Approval: April 2019 (estimated at \$2,450,000 for all 12 facilities)
 CHE Recommended Approval: N/A

<u>Source of Funding</u> <u>Detail</u>	<u>Original</u> <u>Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State	12,500	200,000	212,500	109,500	322,000
Federal, National Guard Bureau	37,500	-	37,500	328,500	366,000
All Sources	<u>50,000</u>	<u>200,000</u>	<u>250,000</u>	<u>438,000</u>	<u>688,000</u>

Request Amount: \$438,000

Fund Source (Phase I): Appropriated State Funds.
 Federal, National Guard Bureau Funds.

Fund Source (Phase II): Appropriated State Funds. (Balance \$1.55 million uncommitted)
 Federal, National Guard Bureau Funds, which is funding identified as part of the Construction and Facilities Management Office's Master Cooperative Agreement through the Office of the Adjutant General and from the National Guard Bureau. (Balance: \$16 million uncommitted)

Request: Increase the Phase II budget to renovate and expand existing female latrines in various readiness centers across the state. The initial group of readiness centers include North Charleston, Walterboro, Edgefield, Mt. Pleasant, Marion, Saluda, Mullins, Batesburg, Dillon, Seneca, Conway and Rock Hill. The Edgefield facility was completed in the Edgefield Renovation project and therefore has been removed. The North Charleston facility was completed in this project in October. The funds in this request will be used for the construction of the Saluda and Rock Hill facilities. The scope of work includes renovating existing female latrine and constructing additional authorized space to include new utilities and fixtures, along with any required mechanical, electrical and plumbing work. Due to the rising number of female soldier's adequate latrine space is needed. Per NG Pam 415-12, the assigned unit(s) are authorized 2,000 square feet of latrine space. This project will allow the female soldiers to have the required number of facilities (toilets, showers, changing areas) they need to conduct training. The facilities range in age from 31 years to 62 years old and vary in size from 72 square feet to 339 square feet. The agency estimates total project costs at \$200,000 per facility for a total of \$2,450,000 for all 11 facilities. The agency anticipates execution of the construction contract in February and completion of construction in March 2021.

Affected: 50 female soldiers in each of the 11 armories (550 female soldiers)

Total Cost: \$688,000

Costs: \$3,000 (years 1 thru 3)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

AUTHORITY ACTION REQUESTED:

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

ATTACHMENTS:

Agenda item worksheet and attachments

Project List: SFAA Items - February 4, 2020

SFAA Items - February 4, 2020

SFAA Item	JBRC Item	Agency Code	Agency Name	Project ID	Project Name	Action Proposed	Included in CIP?	Current Budget	Requested Change	Total Phase I Budget	Total Phase II Budget	SOF (excludes proposed Phase II if currently seeking Phase I)
(a)	1	H15	College of Charleston	9669	Addlestone Library Envelope Repairs & Interior Modifications	Establish Phase I	Yes	-	80,000	80,000	4,000,000	Other - Capital Project Institutional
(b)	2	H15	College of Charleston	9670	Multicultural Center Renovation	Establish Phase I	Yes	-	62,500	62,500	2,500,000	Other - Capital Project Institutional
(c)	3	H15	College of Charleston	9671	Silcox PE & Health Center Envelope Repair & First Floor Renovation	Establish Phase I	Yes	-	137,500	137,500	5,500,000	Other - Capital Project Institutional
(d)	4	H15	College of Charleston	9672	Wentworth Parking Garage Renovation	Establish Phase I	Yes	-	62,500	62,500	2,500,000	Other - Auxiliary Parking Revenues
(e)	5	H21	Lander University	9541	Field House II Development	Establish Phase I	No	-	23,850	23,850	1,590,000	Other - Lander Foundation
(f)	6	H21	Lander University	9542	Intramural Field Renovation	Establish Phase I	No	-	18,750	18,750	1,250,000	Other - Lander Foundation
(g)	7	H27	University of South Carolina - Columbia	6134	West Campus Parking Development	Establish Phase I	Yes	-	50,000	50,000	6,500,000	Other - Greek Village Student Fees
(h)	8	H59	Greenville Technical College	6160	Greenville - Parking Lot R Construction - Barton Campus	Establish Phase I	Yes	-	40,675	40,675	2,711,663	Other - College Plant Maintenance
(i)	9	D50	Department of Administration	6046	Adjutant General Office Building - HVAC Systems Replacement	Establish Phase I	Yes	-	18,750	18,750	1,171,356	Other - Depreciation Reserve
(j)	13	D50	Department of Administration	6023	Blatt Building - Replace Windows	Establish Phase II	Yes	64,051	1,444,785	64,051	1,508,836	Appropriated State
(k)	14	D50	Department of Administration	6024	Blatt Building - Replace VAV Terminal Reheat	Establish Phase II	Yes	49,356	993,131	49,356	1,042,487	Other - Depreciation Reserve
(l)	15	D50	Department of Administration	6030	Marion Gressette Building - Replace Windows	Establish Phase II	Yes	68,050	1,853,100	68,050	1,921,150	Appropriated State / Other - Depreciation Reserve
(m)	22	P28	Department of Parks, Recreation and Tourism	9773	Hunting Island Road Repairs	Establish Phase II	Yes	15,000	2,740,000	15,000	2,755,000	FY19 Capital Reserve / Other - FY20 Proviso 49.18 (Medal of Honor Museum) / Other - Park Revenue
(n)	23	E24	Office of the Adjutant General	9812	Statewide Readiness Center Female Latrines	Phase II Increase	Yes	250,000	438,000	50,000	2,650,000	Appropriated State / Federal - National Guard Bureau

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Easement

The Department of Administration requests approval of the following easement in accordance with SC Code of Laws:

County Location:	Greenville
From:	Department of Administration
To:	Circle K Stores, Inc.
Consideration:	Other good and valuable consideration including: (i) the expansion and restriping of the existing overflow parking located on SCDMV property, (ii) the construction of a connecting sidewalk and (iii) the granting of an access easement containing approximately 0.176± acre over and across Circle K property to Bryson Drive.
Description/Purpose:	To grant a 0.113± acre access easement for the purpose of ingress and egress over and across property of SCDMV's Fountain Inn office to the adjoining Circle K property. The grant also includes a 0.582± acre temporary construction easement necessary for the completion of improvements that will be of mutual benefit. The term of the easement will be fifty (50) years. The Division of Facilities Management and Property Services has determined that SCDMV has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.
Additional Information:	On March 5, 2019, the State Fiscal Accountability Authority approved the grant of a 0.061 acre access easement to Circle K Stores, Inc. The requested easement area has since expanded to accommodate construction, and as such, requires additional approval.

AUTHORITY ACTION REQUESTED:

Approve granting the referenced easement as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS: Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 4, 2020

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration,
Division of Facilities Management
and Property Services
- (b) Authorized Official Signature:



Ashlie Lancaster, Director

2. Subject: EASEMENT

3. Summary Background Information:

The Department of Administration requests consideration of the following easement in accordance with SC Code of Laws:

- (a) County Location: Greenville
- From: Department of Administration
- To: Circle K Stores, Inc.
- Consideration: Other good and valuable consideration including: (i) the expansion and restriping of the existing overflow parking located on SCDMV property, (ii) the construction of a connecting sidewalk and (iii) the granting of an access easement containing approximately 0.176± acre over and across Circle K property to Bryson Drive.
- Description/Purpose: To grant a 0.113± acre access easement for the purpose of ingress and egress over and across property of SCDMV's Fountain Inn office to the adjoining Circle K property. The grant also includes a 0.582± acre temporary construction easement necessary for the completion of improvements that will be of mutual benefit. The term of the easement will be fifty (50) years. The Division of Facilities Management and Property Services has determined that SCDMV has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.
- Additional Information: On March 5, 2019, the State Fiscal Accountability Authority approved the grant of a 0.061 acre access easement to Circle K Stores, Inc. The requested easement area has since expanded to accommodate construction, and as such, requires additional approval.

4. What is the Authority asked to do? Approve the referenced easement.

5. What is recommendation of the Department of Administration? Consider approval of the referenced easement.

6. List of Supporting Documents:

1. SC Code of Laws Sections 10-1-130
2. Easement Drawing

SOUTH CAROLINA CODE OF LAWS

SECTION 10-1-130. Grant of easements and rights of way.

The trustees or governing bodies of state institutions and agencies may grant easements and rights of way over any property under their control, upon the recommendation of the Department of Administration and approval of the State Fiscal Accountability Authority, whenever it appears that such easements do not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any amounts must be placed in the State Treasury to the credit of the institution or agency having control of the property involved.

HISTORY: 1962 Code Section 1-49.3; 1963 (53) 177; 2014 Act No. 121 (S.22), Pt V, Section 7.K, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.K, rewrote the section, substituting the Department of Administration and the State Fiscal Accountability Authority for the State Budget and Control Board.

Curve Table					
Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	244.35	3782.11	3°42'06"	N41°28'10"W	244.31

Line Table		
Line #	Length	Direction
L1	68.77	S87°56'15"W

SURVEYOR'S NOTES:

1.) THE WORDS "CERTIFY", "CERTIFIES" OR "CERTIFICATION" AS USED HEREIN ARE UNDERSTOOD TO BE AN EXPRESSION OF PROFESSIONAL OPINION BY THE SURVEYOR, BASED UPON HIS BEST KNOWLEDGE, INFORMATION AND BELIEF, AS SUCH, DO NOT CONSTITUTE A GUARANTEE NOR A WARRANTY, EXPRESSED OR IMPLIED.
2.) BEARINGS BASED ON GPS "RTK" OBSERVATION OF USGS MONUMENTS "23 163" AND "23 160." NAD 83

FREELAND & ASSOCIATES, INC.
323 WEST STONE AVE.
GREENVILLE S.C. 29609
TEL (864) 271-4924 FAX: (864) 233-0315
EMAIL: info@freeland-associates.com

DRAWN: JD PARTY CHIEF: RH CHECKED: MVA

REF. PLAT BOOK: N/A

REF. DEED BOOK: 2461-4435

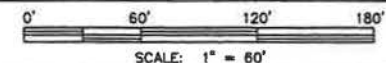
TAX MAP : 0325000100706

DATE OF SURVEY: 8-23-18

DATE DRAWN: 2-20-19

DRAWING NO: 70131- EASEMENTS C3D

DATE OF LAST REVISION:



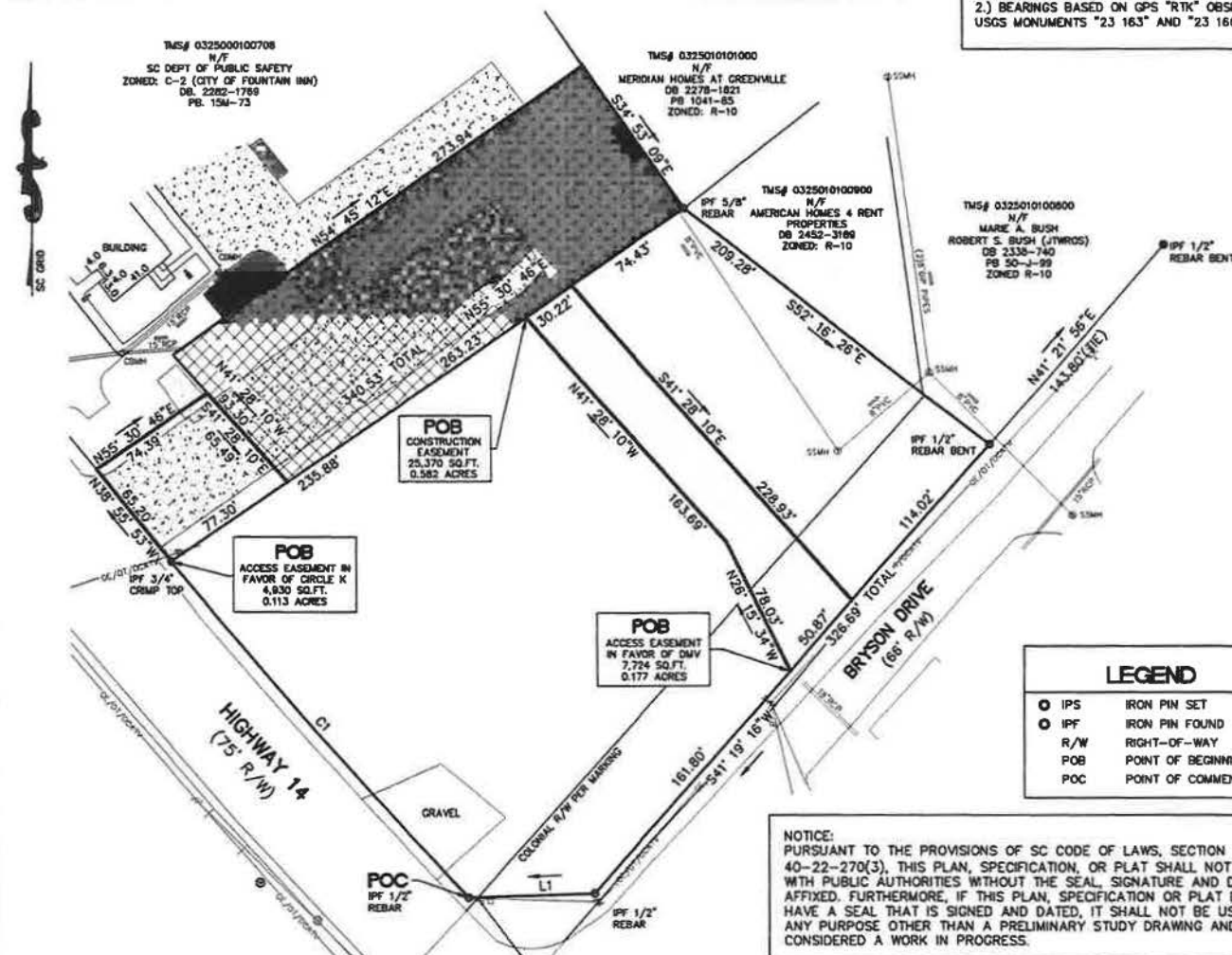
THIS DRAWING REPRESENTS A
COMPLETED SURVEY AND
PLAT WITH THE EXCEPTION OF
CLIENT'S FINAL REVIEW

PLS: JAMES R. FREELAND
NO: 4781

STATE OF SOUTH CAROLINA
GREENVILLE COUNTY
CITY OF FOUNTAIN INN

EASEMENT DRAWING
FOR
CIRCLE K STORES, INC.

SITE ADDRESS:
SC 14 AND BRYSON DRIVE
FOUNTAIN INN, SC



LEGEND

- IPS IRON PIN SET
- IPF IRON PIN FOUND
- R/W RIGHT-OF-WAY
- POB POINT OF BEGINNING
- POC POINT OF COMMENCEMENT

NOTICE:
PURSUANT TO THE PROVISIONS OF SC CODE OF LAWS, SECTION 40-22-270(3), THIS PLAN, SPECIFICATION, OR PLAT SHALL NOT BE FILED WITH PUBLIC AUTHORITIES WITHOUT THE SEAL, SIGNATURE AND DATE AFFIXED. FURTHERMORE, IF THIS PLAN, SPECIFICATION OR PLAT DOES NOT HAVE A SEAL THAT IS SIGNED AND DATED, IT SHALL NOT BE USED FOR ANY PURPOSE OTHER THAN A PRELIMINARY STUDY DRAWING AND WILL BE CONSIDERED A WORK IN PROGRESS.

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF February 4, 2020

ITEM NUMBER 7

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: South Carolina Department of Revenue Lease of 1350 Farrow Parkway, Myrtle Beach

The South Carolina Department of Revenue ("DOR") requests approval to lease approximately 10,428 rentable square feet located at 1350 Farrow Parkway, Myrtle Beach, SC from Loudon Hall Farm, LLC ("Landlord").

DOR has been leasing 7,530 square feet from Landlord at 1350 Farrow Parkway since January 26, 2015. The current lease is not set to expire until February 2022, however, DOR has advised that their existing Taxpayer Assistance area is not large enough to implement the full functionality of their high level of security for their taxpayers, Protective Services Agents, and employees to effectively conduct business.

State agencies were contacted to verify that no adequate state space was available. A solicitation was conducted and the selected Landlord was the only respondent. DOR conducted a site visit and determined that the additional available space proposed by Landlord would be sufficient to build DOR's lobby service area to their current security standards.

DOR's security program requires an on-site security officer in each office lobby, security cameras, metal detectors, and other security equipment to screen potential visitors of DOR to ensure that taxpayers and DOR employees are protected and safe. In addition, DOR protects both State and Federal Taxpayer Information with a highly sophisticated badge access and camera surveillance system, an Intruder Detection System, and other specific security technology. These security enhancements are required to ensure privacy and adequate protection against loss of data. As such, DOR requires site modification and will reimburse Landlord for the costs of the upfit which are expected to cost approximately \$318,000.

The lease term will be ten years and is expected to commence upon completion of the upfit. DOR will continue to lease space under the current lease until the upfit is completed. The square footage rental rate of the new lease will be in line with the current lease rent schedule and will begin at the rate of \$24.32 per square foot and the rate will not increase over the current square footage rental. The rental escalation will remain the same at 2.5% per year.

The monthly rental rate for the first year will be \$21,134.08 per month, resulting in an annual rent amount of \$253,608.96. The total basic rent to be paid over the 10-year term is \$2,842,409.49. The rent includes full access and free use of the surrounding parking lot which has adequate parking for staff and visitors and for which there is no additional cost. The lease meets the state space standards.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: South Carolina Department of Revenue Lease of 1350 Farrow Parkway, Myrtle Beach

The basic rent, with annual escalations, over the term of the lease is as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT ROUNDED</u>	<u>RENT PER SF ROUNDED</u>
YEAR 1	\$ 253,608.96	\$ 21,134.08	\$24.32
YEAR 2	\$ 259,970.04	\$ 21,664.17	\$24.93
YEAR 3	\$ 266,435.40	\$ 22,202.95	\$25.55
YEAR 4	\$ 273,109.32	\$ 22,759.11	\$26.19
YEAR 5	\$ 279,937.05	\$ 23,328.09	\$26.85
YEAR 6	\$ 286,978.56	\$ 23,914.88	\$27.52
YEAR 7	\$ 294,903.84	\$ 24,575.32	\$28.21
YEAR 8	\$ 301,577.76	\$ 25,131.48	\$28.92
YEAR 9	\$ 309,085.92	\$ 25,757.16	\$29.64
YEAR 10	\$ 316,802.64	\$ 26,400.22	\$30.38

DOR's pro rata share of business operating costs for calendar year 2020 are included in the basic rent and DOR shall pay as additional rent its pro rata share of increases in Building Operating Cost, which shall not exceed 103% of their pro rata share of building operating cost in the immediately preceding calendar year.

As evidenced by the lack of responses to the solicitation, there is limited comparable office space available in the Myrtle Beach area. One location at 2002 North Oak Street leases beginning at \$24 per square foot but does not have adequate square footage available. The primary spaces available are retail and range from \$28-36 per square foot.

DOR has adequate funds for the lease according to a Budget Approval Form submitted January 3, 2020 which also includes a multi-year plan. Lease payments will be made from state appropriations. No option to purchase the property is included in the lease. Joint Bond Review Committee approved this lease at its meeting of January 29, 2020.

AUTHORITY ACTION REQUESTED:

As recommended by the Department of Administration, Facilities Management and Property Services, approve the Department of Revenue's of lease of approximately 10,428 rentable square feet located at 1350 Farrow Parkway, Myrtle Beach from Loudon Hall Farm, LLC for a period of ten years.

ATTACHMENTS: Agenda item worksheet; Letter from DOR dated January 6, 2020; SC Code of Laws Sections 1-11-55 and 1-11-56

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 4, 2020

Regular Agenda

1. Submitted by:

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


Ashlie Lancaster, Director

2. Subject: South Carolina Department of Revenue Lease of 1350 Farrow Parkway, Myrtle Beach, SC

3. Summary Background Information:

The South Carolina Department of Revenue ("DOR") requests approval to lease approximately 10,428 rentable square feet located at 1350 Farrow Parkway, Myrtle Beach, SC from Loudon Hall Farm, LLC ("Landlord").

DOR has been leasing 7,530 square feet from Landlord at 1350 Farrow Parkway since January 26, 2015. The current lease is not set to expire until February 2022, however, DOR has advised that their existing Taxpayer Assistance area is not large enough to implement the full functionality of their high level of security for their taxpayers, Protective Services Agents, and employees to effectively conduct business.

State agencies were contacted to verify that no adequate state space was available. A solicitation was conducted and the selected Landlord was the only respondent. DOR conducted a site visit and determined that the additional available space proposed by Landlord would be sufficient to build DOR's lobby service area to their current security standards.

DOR's security program requires an on-site security officer in each office lobby, security cameras, metal detectors, and other security equipment to screen potential visitors of DOR to ensure that taxpayers and DOR employees are protected and safe. In addition, DOR protects both State and Federal Taxpayer Information with a highly sophisticated badge access and camera surveillance system, an Intruder Detection System, and other specific security technology. These security enhancements are required to ensure privacy and adequate protection against loss of data. As such, DOR requires site modifications and will reimburse Landlord for the costs of the upfit which are expected to cost approximately \$318,000.

The lease term will be ten years and is expected to commence upon completion of the upfit. DOR will continue to lease space under the current lease until the upfit is completed. The square footage rental rate of the new lease will be in line with the current lease rent schedule and will begin at the rate of \$24.32 per square foot and the rate will not increase over the current square footage rental. The rental escalation will remain the same at 2.5% per year.

The monthly rental rate for the first year will be \$21,134.08 per month, resulting in an annual rent amount of \$253,608.96. The total basic rent to be paid over the 10-year term is \$2,842,409.49. The rent includes full access and free use of the surrounding parking lot which has adequate parking for staff and visitors and for which there is no additional cost. The lease meets the state space standards.

The basic rent, with annual escalations, over the term of the lease is as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT ROUNDED</u>	<u>RENT PER SF ROUNDED</u>
YEAR 1	\$ 253,608.96	\$ 21,134.08	\$24.32
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YEAR 3	\$ 266,435.40	\$ 22,202.95	\$25.55
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YEAR 9	\$ 309,085.92	\$ 25,757.16	\$29.64
YEAR 10	\$ 316,802.64	\$ 26,400.22	\$30.38

DOR's pro rata share of business operating costs for calendar year 2020 are included in the basic rent and DOR shall pay as additional rent its pro rata share of increases in Building Operating Cost, which shall not exceed 103% of their pro rata share of building operating cost in the immediately preceding calendar year.

As evidenced by the lack of responses to the solicitation, there is limited comparable office space available in the Myrtle Beach area. One location at 2002 North Oak Street leases beginning at \$24 per square foot but does not have adequate square footage available. The primary spaces available are retail and range from \$28-36 per square foot.

DOR has adequate funds for the lease according to a Budget Approval Form submitted January 3, 2020 which also includes a multi-year plan. Lease payments will be made from state appropriations. No option to purchase the property is included in the lease. Joint Bond Review Committee approved this lease at its meeting of January 29, 2020.

4. What is the Authority asked to do? Approve the proposed ten-year lease.

5. What is recommendation of the Division of Facilities Management and Property Services? Approval of the proposed ten-year lease.

6. List of Supporting Documents:

- (a) Letter from DOR dated January 6, 2020
- (b) SC Code of Laws Sections 1-11-55 and 1-11-56

State of South Carolina
Department of Revenue



HENRY D. MCMASTER
Governor

W. HARTLEY POWELL
Director

300A OUTLET POINTE BOULEVARD
POST OFFICE BOX 125
COLUMBIA, SOUTH CAROLINA 29214
Telephone: (803) 898-5040
Facsimile : (803) 896-0023
Director@dor.sc.gov

January 6, 2020

Ms. Ashlie Lancaster
Director, Division of Facilities Management and Property Services
South Carolina Department of Administration
1200 Senate Street, Suite 460
Columbia, SC 292201

RE: Lease for 1350 Farrow Parkway, Myrtle Beach

Dear Ms. Lancaster:

The South Carolina Department of Revenue requests approval by the State Fiscal Accountability Authority of a 10-year lease with Loudon Hall Farm, LLC for approximately 10,428 square feet of office space at 1350 Farrow Parkway, Myrtle Beach, SC. Our existing Taxpayer Assistance area is not large enough for our taxpayers, Protective Services Agents and employees to effectively conduct business. DOR currently leases 7,530 square feet of space at this location, this will allow us to add 2,898 square feet to our existing space. This additional square footage will allow us to build a Taxpayer service area, for those listed above, to have a safe, secure and productive work environment that meets DOR's security standards. This space is required to expand our DOR Myrtle Beach District Office Taxpayer Assistance area where our current office size prohibits the full functionality of our high level of security.

DOR's security program requires an on-site security officer in each office lobby, security cameras, metal detectors, and other security equipment to screen potential visitors of DOR to ensure that taxpayers and DOR employees are protected and safe. In addition, DOR protects both State and Federal Taxpayer Information with a highly sophisticated badge access and camera surveillance system, an Intruder Detection System, and other specific security technology. Since implementing these security enhancements, our current lobby layout will not sufficiently house our metal detector, Protective Services Agent and the public.

Ms. Lancaster
January 6, 2020
Page Two

In response to the DOR soliciting through the Department of Administration, only one proposal was received to our solicitation. This additional space will allow us to build our lobby service area to our current security standards. The expansion into this additional space is a great opportunity for DOR to stay in the location in which the Taxpayers are already familiar with and is the least disruptive for the employees and Taxpayers. We considered the following in our decision-making of this space: security, cost, proximity to the interstate, interior office design, and building accessibility for the taxpayers.

We request the maximum lease of 10-years to build and maintain a highly secure site to protect taxpayers, employees, and sensitive taxpayer information from intruders and fraudsters. A longer lease provides a consistent location for taxpayers and minimizes the cost of more frequent office re-locations.

DOR and the Landlord have negotiated for DOR to reimburse the Landlord for construction costs. Construction costs will be approximately \$318,000. DOR will resume the current lease rate negotiated in 2015 with annual 2.5% increase.

Thank you for your assistance in this process and for your consideration of our request.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Hartley Powell", with a stylized flourish at the end.

W. Hartley Powell
Director

SECTION 1-11-55. Leasing of real property for governmental bodies.

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, agency, government corporation, or other establishment or official of the executive branch of this State. Governmental body excludes the General Assembly, Legislative Council, the Legislative Services Agency, the judicial department and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Division of General Services of the Department of Administration is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Division of General Services of its requirement on rental request forms prepared by the division. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.

(4) The department shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Division of General Services of the Department of Administration or his designee.

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

SECTION 1-11-56. Program to manage leasing; procedures.

(A) The Division of General Services of the Department of Administration, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department's regulations, upon General Assembly approval, shall include procedures for:

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency;
 - (b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
 - (4) rejecting an agency's request for additional space or space at a specific location, or both;
 - (5) directing agencies to be located in public space, when available, before private space can be leased;
 - (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
 - (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.
- (B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.
- (C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: University of South Carolina Tennis Facility Lease

The University of South Carolina is requesting approval to enter into a Lease Agreement with the University of South Carolina Development Foundation for a facility constructed to meet SEC Conference requirements for men's and women's tennis practices, competitions and other events.

The University currently does not have an indoor tennis facility and must rent facilities elsewhere, currently in Charlotte, to meet this conference requirement.

Under the proposal, a private contractor will construct the building to University specification on property to be acquired by the Foundation located at 523 Superior Street in Columbia, which is off campus but in close proximity to the Athletic Village.

Under the Lease Agreement, USC will have use of the building, parking lot and common areas for approximately 60 hours per week, solely for the activities of its tennis teams. The lease has a 10-year term beginning upon completion of the facility but may be terminated by USC at any time with 60 days' notice to the Foundation.

The Foundation will pay all expenses of ownership and operation of the facility, including property taxes, property and liability insurance, maintenance and repair, and HVAC and other operating expenses.

While the University will pay no lease or other usage fees to the Foundation, the University is responsible for providing supplies, equipment and staffing for practices and competitions. Additionally, the University is responsible for utility and janitorial expenses, and repair and replacement of the University's personal property (e.g., tennis nets) to the extent they are fairly chargeable based on the degree of the University's use. Moreover, the facility is leased "as is", and the University must utilize its general liability insurance policy through the Insurance Reserve Fund to cover its risks. The University is entitled to use of furniture and fixtures of the facility but is responsible for any damages from such use, ordinary wear and tear excluded.

The University's payment obligations under the use agreement will not meet the thresholds requiring review of leases by the Joint Bond Review Committee and approval by the Fiscal Accountability Authority pursuant to SC Code Section 1-11-56(A)(7), since payments are not anticipated to exceed \$200 thousand annually or more than \$1 million over a 5-year period. However, Committee policy adopted September 13, 2016, "Permanent Improvement Projects Financed Through Arrangements with Third Parties," requires agencies contemplating entering into leases or agreements in connection with permanent improvement projects for facilities

AGENCY: Department of Administration,

SUBJECT: University of South Carolina Tennis Facility Lease

funded and constructed by third parties, including foundations, to submit a single item for committee review, with each action required by the committee clearly identified. As such, the Lease Agreement is being brought to the Committee because the facility is being constructed for the University's specific and generally exclusive use.

JBRC approved the Lease Agreement at its January 29, 2020 meeting.

AUTHORITY ACTION REQUESTED:

As requested by the University of South Carolina through the Department of Administration, Facilities Management and Property Services, approve the University's request to enter into a Lease Agreement with the University of South Carolina Development Foundation for a facility constructed to meet SEC Conference requirements for men's and women's tennis practices, competitions and other events at 523 Superior Street in Columbia.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-55 and 1-11-56


STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 4, 2020

Regular Agenda

1. Submitted by:

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


Ashlie Lancaster, Director

2. Subject: University of South Carolina Tennis Facility Lease

3. Summary Background Information:

The University of South Carolina is requesting approval to enter into a Lease Agreement with the University of South Carolina Development Foundation for a facility constructed to meet SEC Conference requirements for men's and women's tennis practices, competitions and other events.

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JBRC approved the Lease Agreement at its January 29, 2020 meeting.

4. What is the Authority asked to do? Approve the proposed lease.

5. What is recommendation of the Division of Facilities Management and Property Services? Consider approval of the proposed lease.

6. List of Supporting Documents:

(a) SC Code of Laws Sections 1-11-55 and 1-11-56

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HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

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(b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
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HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

Effect of Amendment

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AGENCY: Executive Director

SUBJECT: Revenue Bonds

The required reviews on the following proposals to issue revenue bonds has been completed with satisfactory results. The project require approval under State law.

- a. Issuing Authority: State Housing Finance and Development Authority
 Amount of Issue: Not Exceeding \$120,000,000 Mortgage Revenue Bonds
 Allocation Needed: -0-
 Name of Project: Mortgage Revenue Bonds, Series 2020A
 Employment Impact: N/A
 Project Description: mortgage revenue bonds, Series 2020A
 Bond Counsel: Rion Foley, Burr Forman McNair LLP,
- b. Issuing Authority: State Housing Finance and Development Authority
 Amount of Issue: Not Exceeding \$10,000,000 Multifamily Housing Revenue Bonds
 Allocation Needed: -0-
 Name of Project: Northside Apartments
 Employment Impact: N/A
 Project Description: to provide construction and permanent financing for the acquisition and construction of the multifamily rental housing facilities, consisting of approximately 90 rental units, to be located in the City of Spartanburg
 Bond Counsel: Samuel W. Howell, IV, Howell Linkous & Nettles, LLC

AUTHORITY ACTION REQUESTED:

Adopt the resolutions approving the referenced proposals to issue revenue bonds.

ATTACHMENTS:

Resolutions with attachments

BURR • FORMAN MCNAIR

Rion Foley
rfoley@burr.com
Direct Dial: (843) 973-6827
Direct Fax: (843) 805-6569

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

Mailing Address
Post Office Box 1431
Charleston, SC 29402

Office (843) 723-7831
Fax (843) 722-3227

BURR.COM

December 11, 2019

Via FedEx

Mr. Delbert H. Singleton, Jr.
Secretary
State Fiscal Accountability Authority
601 Wade Hampton Office Building
Columbia, SC 29201

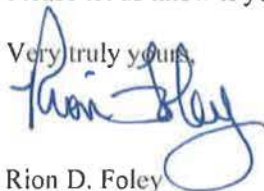
Re: Proposed Not Exceeding \$120,000,000 South Carolina State Housing Finance and Development
Authority Mortgage Revenue Bonds, Series 2020A

Dear Delbert:

Enclosed is a Transmittal Form, Revenue Bonds, for a proposed issue of one or more series of bonds by the South Carolina State Housing Finance and Development Authority ("SCSHFDA"), together with a New Debt Information Form (prepared by Stifel Nicolaus and Company, Inc., Financial Advisor to the Authority) and other required documentation. The SCSHFDA board meeting to approve these materials is scheduled for January 15, 2019 (after the SFAA submission deadline). We will send you original signature pages on January 16 or so.

Please let us know if you have questions or need additional documentation.

Very truly yours,



Rion D. Foley

RDF/mpc
Enclosure

cc: Kevin Kibler
Robert MacDonald, III
Tracey Easton, Esq.
William Youngblood, Esq.

TRANSMITTAL FORM, REVENUE BONDS

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building
Columbia, SC 29201

OR P. O. Box 12444, Columbia, SC 29211

DATE: December 11, 2019

Submitted for SFAA Meeting on:

February 4, 2020

FROM:

Burr Forman McNair LLP

Name of Law Firm

P.O. Box 1431

Street Address/Box Number

Charleston, SC 29402

City, State, Zip Code

(843) 723-7831

Area Code/Telephone Number

RE:

Not Exceeding \$120,000,000

Amount of Issue

SC State Housing Finance and Dev. Authority

Name of Issuing Authority

Mortgage Revenue Bonds

Type of Bonds or Notes

April 30, 2020

Projected Issue Date

Project Name: Mortgage Revenue Bonds, Series 2020A

Project Description: Mortgage Revenue Bonds, Series 2020A

Employment as a result of the project: N/A

Ceiling Allocation Required

Yes (\$) X No

Amount

Refunding Involved

Yes (\$) X No

Amount

NOT EXCEEDING

Project Approved Previously

Yes (\$) X No

Amount

Documents enclosed (executed original and two copies of each):

(ALL documents required for state law approval; A and C only for ceiling allocation only.)

- A. X Petition
- B. X Resolution or Ordinance
- C. X Inducement Resolution or comparable preliminary approval
- D. N/A Department of Health and Environmental Control Certificate *if required*
- E. X State Fiscal Accountability Authority Resolution ~~and Public Notice~~ (original)
Plus 6 copies for certification and return to bond counsel
- F. X Draft bond counsel opinion letter
- G. N/A Processing Fee

Amount: \$

Check No:

Payor:

Bond Counsel: Rion D. Foley

Typed Name of Bond Counsel

By:

Signature

STATE OF SOUTH CAROLINA
COUNTY OF LEXINGTON

_____))
_____))
TO THE STATE FISCAL ACCOUNTABILITY)
AUTHORITY OF SOUTH CAROLINA)
_____))
_____))

PETITION

This Petition of the South Carolina State Housing Finance and Development Authority (the "Authority") respectfully shows:

1. The Authority is empowered by the provisions of Title 31, Chapter 13, Code of Laws of South Carolina 1976, as amended (the "Act") upon the approval of the State Fiscal Accountability Authority of South Carolina (the "SFAA"), to issue bonds, the principal proceeds of which are to be applied to providing sanitary and safe residential housing for persons and families of low and moderate to low income at prices which such persons can afford and/or to refund any such bonds of the Authority.

2. The Authority has determined that there exists both a demand, and a need for money to provide mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes at affordable prices. In order to meet such demand, the Authority requests that it be empowered to issue and sell one or more series of long-term tax-exempt bonds and/or long-term taxable bonds in an amount not to exceed \$120,000,000 to make such mortgage loans directly (or indirectly through mortgage backed securities) and/or to refund any such bonds of the Authority. Certain taxable and refunding portions of the Series 2020A Bonds (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary will not require the use of the State Ceiling. The Series 2020A Bonds (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary are collectively referred to as the "Series 2020A Bonds".

3. The Series 2020A Bonds, other than any portion of which are taxable, if any, will be "private activity bonds" within the meaning of such term in Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"), which imposes a "volume cap" on private activity bonds (other than most refunding bonds) by way of a "State Ceiling" (as such term is used in Section 146(d) of the Code) applicable to each state.

4. The Authority is an "issuing authority" as such term is used in South Carolina Code Section 1-11-500, et seq., which proclaims the plan for allocating the State Ceiling on the issuance of tax-exempt private activity bonds in South Carolina, and devolves upon the SFAA the responsibility for making allocations of the State Ceiling.

5. The Authority may utilize, to the extent required by the Code, State Ceiling carryforward previously allocated to the Authority so that the tax-exempt portion of the Series 2020A Bonds may be issued.

6. The Series 2020A Bonds will be issued pursuant to the General Resolution adopted by the Authority on September 13, 1994, a copy of which has been filed with the SFAA, and one or more Supplemental Resolutions to be adopted by the Authority.

7. It is anticipated that the Series 2020A Bonds issued in one or more series will be sold at prices and at rates which will enable the Authority to make mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes at competitive rates. If the primary purpose of the applicable series of the Series 2020A Bonds is refunding prior bonds of the Authority, the Authority may determine that refunding certain of its prior bonds will result in lower total interest costs, after taking into consideration the costs of such refunding, and is expected to provide overall better economic return to the Authority over the life of the applicable series of the Series 2020A Bonds.

8. The income to be received by the Authority from the mortgage loans purchased directly with the proceeds of the applicable series of the Series 2020A Bonds (or indirectly through mortgage backed securities) and invested reserves will produce a spread within any applicable arbitrage limits imposed by the United States Treasury but will at the same time provide a proper margin to insure the prompt payment of the principal of and interest on the applicable series of the Series 2020A Bonds as they mature and money to pay the expenses of the Authority for its program, including expenses incident to the servicing of the loans purchased with the proceeds of the applicable series of the Series 2020A Bonds.

9. This Petition constitutes the Authority's request that the SFAA approve the issuance of the Series 2020A Bonds in one or more series.

10. It is anticipated that the applicable series of the Series 2020A Bonds will be rated at least "Aa" by Moody's Investors Service, Inc.

11. The Authority requests that the SFAA delegate to the State Treasurer (i) the ability to approve the principal amount and interest rate on the applicable series of the Series 2020A Bonds, (ii) to approve the form and substance of preliminary and final official statements to be distributed in connection with the sale of the applicable series of the Series 2020A Bonds; (iii) to approve the form and substance of a supplemental resolution or supplemental resolutions setting forth the terms and conditions of the applicable series of the Series 2020A Bonds; (iv) to approve the terms and conditions of the Purchase Contract(s); and (v) upon making a determination that the funds anticipated to be available for the payment of the Authority's bonds, including the applicable series of the Series 2020A Bonds, will be sufficient to provide for the payment of principal and interest thereon, to grant on behalf of the SFAA final approval for the issuance of the Series 2020A Bonds in one or more series. Prior to the issuance and delivery of the applicable series of the Series 2020A Bonds, the Authority will submit to the SFAA all information required by §31-13-220 of the Act, to wit:

- (a) the purpose and the principal amount of the applicable series of the Series 2020A Bonds to be issued;
- (b) the maturity schedule of the applicable series of the Series 2020A Bonds to be issued;
- (c) a schedule showing the annual debt service requirements of all outstanding bonds of the Authority;
- (d) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds; and
- (e) the method to be employed in selling the applicable series of the Series 2020A Bonds.

12. The Authority stands ready to produce any further information required by the SFAA.

WHEREFORE, on the basis of the foregoing, the Authority prays:

That the SFAA approve the issuance of the Series 2020A Bonds (or such other numbering convention) in one or more series.

Respectfully submitted,

SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT AUTHORITY

By: _____
Its: _____

_____, 2020

A RESOLUTION

MAKING PRELIMINARY PROVISION FOR THE ISSUANCE OF NOT EXCEEDING \$120,000,000 (IN ONE OR MORE SERIES) AGGREGATE PRINCIPAL AMOUNT OF SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY MORTGAGE REVENUE BONDS, SERIES 2020A (TAX-EXEMPT AND/OR TAXABLE) OR SUCH OTHER NUMBERING CONVENTION AS MAY BE NECESSARY, AND OTHER MATTERS RELATED THERETO.

WHEREAS, the South Carolina State Housing Finance and Development Authority (the "Authority") is authorized and empowered by Title 31, Chapter 13, Code of Laws of South Carolina 1976, as amended (the "Act") to issue bonds, the principal proceeds of which will be used to provide sanitary and safe residential housing for persons and families of low income and of moderate to low income at prices which such persons can afford and/or refund any such bonds of the Authority; and

WHEREAS, upon making a determination that a demand for money for mortgage loans is sufficient to justify the issuance of bonds and upon the approval of the State Fiscal Accountability Authority of South Carolina (the "SFAA"), the Authority may, from time to time, issue a series of its bonds for the purpose of obtaining funds with which to provide sanitary and safe residential housing for beneficiary classes at prices which such persons can afford and/or refund any such bonds of the Authority; and

WHEREAS, the Authority has formulated a plan for the issuance of tax-exempt and/or taxable South Carolina State Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2020A (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary, which may include long-term tax-exempt bonds and/or long-term taxable bonds not requiring State Ceiling (the "Series 2020A Bonds"), in one or more series pursuant to the Act, such plan being conditioned upon the Authority's underwriters' ability to sell bonds in a principal amount of not exceeding \$120,000,000; and

WHEREAS, the Authority is an "issuing authority," as such term is used in Act No. 117 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina 1987 establishing a plan for the allocation of the State of South Carolina's volume limitation with respect to private activity bonds (as defined in Section 141 of the Internal Revenue Code of 1986) imposed by the Tax Reform Act of 1986; and

WHEREAS, the Authority has determined that there exists both a demand and a need for affordable mortgage money such as to justify the issuance of the Series 2020A Bonds in one or more series upon the terms and conditions stated herein; and

WHEREAS, in light of additional demand for mortgage loans, the Authority has formulated a plan for the issuance of the Series 2020A Bonds in one or more series pursuant to the Act, and upon approval by the SFAA of the issuance of such Series 2020A Bonds; and

WHEREAS, such plan is not conditioned upon the granting by the SFAA of any additional allocation of the State Ceiling established by the Tax Reform Act of 1986 (the "State Ceiling"); and

WHEREAS, the Authority proposes (i) to make provision for one or more additional series of tax-exempt bonds comprising a portion of the Series 2020A Bonds, certain of which may require the use of State Ceiling previously allocated to the Authority; (ii) to make provision for one or more additional series of tax-exempt bonds which will comprise a portion of the Series 2020A Bonds for the purpose of refunding certain bonds of the Authority; and (iii) to make provision for one or more additional series of taxable bonds which will comprise a portion of the Series 2020A Bonds for the purpose of refunding certain bonds of the Authority all in an aggregate amount not to exceed \$120,000,000; and

WHEREAS, the primary purpose of the Series 2020A Bonds in one or more series is to finance mortgage loans directly (or indirectly through mortgage backed securities) and the refunding of prior bonds of the Authority; and

WHEREAS, the Authority may make a determination that refunding certain of its prior bonds will result in lower total interest costs, after taking into consideration the costs of such refunding, and is expected to provide overall better economic return to the Authority over the life of the applicable series of the Series 2020A Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY IN MEETING DULY ASSEMBLED:

Section 1. Adoption of Premises. Each statement of fact set forth in the preamble hereto has been carefully examined and has been found to be in all respects true and correct.

Section 2. Sale of the Series 2020A Bonds; Execution of Purchase Contract. The Chairman (the "Chairman") of the Board of Commissioners of the Authority (the "Board of Commissioners") and the Executive Director (the "Executive Director") of the Authority and each of them are hereby authorized to sell any or all of the Series 2020A Bonds in one or more series to the Authority's underwriters (the "Underwriters") headed by Citigroup Global Markets Inc. pursuant to the terms and conditions of Purchase Contract(s) in substantially the form heretofore employed by the Authority in connection with the sale of its mortgage revenue bonds. The Authority hereby conferred may be exercised as long as the issuance and delivery of the Series 2020A Bonds in one or more series will not result in a lowering of the credit rating on the Authority's mortgage revenue bonds. The Chairman and the Executive Director shall ensure that the arrangements for the sale of the Series 2020A Bonds in one or more series comply with the Authority's general policy regarding distribution of bonds and availability to residents of the State of South Carolina and with the terms and conditions stated herein.

Section 3. Preliminary and Final Official Statement. The distribution and use of preliminary and final official statements in connection with the sale of the Series 2020A Bonds in one or more series is hereby authorized. Said preliminary and final official statements shall be in substantially the forms heretofore used in connection with the distribution of the Authority's mortgage revenue bonds with such changes, additions, deletions, or modifications as are consistent with the details of the applicable series of the Series 2020A Bonds or as are recommended by the Underwriters and accepted by disclosure counsel, bond counsel and the staff of the Authority. The Chairman and the Executive Director are hereby authorized and directed to take such action as they deem appropriate or as is requested of either of them in connection with the distribution of preliminary and/or final official statements.

Section 4. Petition to the State Fiscal Accountability Authority. The Chairman, the Executive Director and/or the legal counsel to the Authority are hereby authorized and directed to prepare and present in a Petition to the SFAA (the form of such Petition in substantially final form is attached hereto as Exhibit A). Such petition shall include the information prescribed by §31-13-220 of the Act which shall include, among other things, a request that the issuance of the Series 2020A Bonds in one or more series be approved by the SFAA, the pertinent terms and provisions of the applicable series of the Series 2020A Bonds determined as provided in this Resolution, and of the outstanding bonds of the Authority.

Section 5. Resolution of State Fiscal Accountability Authority. The Authority approves the form of Resolution of the SFAA in the form attached hereto as Exhibit B.

Section 6. Series 2020A Supplemental Resolution. The Board of Commissioners in a meeting duly assembled shall be presented with a Series 2020A Supplemental Resolution for each series in

substantially the form as previous bond issues submitted to it at such time when the details of the applicable series of the Series 2020A Bonds are known.

Section 7. Declaration of Official Intent. Section 1.150-2 of the Treasury Regulations promulgated pursuant to Section 150 of the Internal Revenue Code of 1986, as amended, sets forth certain procedures relating to the treatment of "Reimbursement Bonds". The Authority expects to issue one or more series of qualified tax-exempt mortgage revenue bonds during calendar year 2020 ("Reimbursement Bonds") of which a portion of the proceeds will be used to reimburse the Authority for the expenditures previously paid from certain funds and accounts of the Authority for qualified mortgage loans and/or pools of mortgage backed securities (the "Reimbursement Loans"). The Authority hereby declares its official intent to reimburse all or a portion of certain expenditures with the proceeds of the Reimbursement Bonds or other borrowing. The maximum principal amount of Reimbursement Bonds expected to be issued for reimbursement of the "Revenue Reserve Fund of the South Carolina State Housing Finance and Development Authority" (the "Reimbursement Fund") for the Reimbursement Loans is \$120,000,000 and on the date hereof the Authority "reasonably expects" to reimburse all or a portion of the expenditures from the Reimbursement Fund for the Reimbursement Loans with a portion of the Reimbursement Bonds or other borrowing. Such Reimbursement Loans will be originated or purchased on or after the date which is not more than 60 days prior to January 15, 2020. Such Reimbursement Loans are/will be credited to SCEIS Fund #60059017 SHA GRRF-095 or successor account number for such account or such other account designated by the Authority. The Authority "reasonably expects" to issue and/or convert \$120,000,000 in obligations during calendar year 2020 to fund the Authority's mortgage revenue bond program. Written evidence of the "reimbursement allocation" for the Reimbursement Loans shall be set forth in the closing transcript for the Reimbursement Bonds or other books and records of the Authority which shall be dated the date of delivery. This declaration shall take effect immediately.

Section 8. General Authority. The Board of Commissioners and its appropriate officers, attorneys, agents, and employees are hereby authorized to do all acts and things required of them by this Resolution or consistent or desirable in connection with the requirements hereof for the full, punctual, and complete performance of all the terms, covenants, and purposes contained in the applicable series of the Series 2020A Bonds and this Resolution, and each such member of the Board of Commissioners, officer, attorney, and employee is hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated thereby and hereby.

Section 9. Law and Place of Enforcement of the Resolution. This Resolution shall be construed and interpreted in accordance with the laws of the State of South Carolina.

Section 10. Effective Date. This Resolution shall become effective immediately upon its adoption by the Board of Commissioners.

Section 11. Severability. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 12. Repeal of Inconsistent Resolutions. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall take effect and be in full force from and after its passage and approval.

EXHIBIT A

STATE OF SOUTH CAROLINA
COUNTY OF LEXINGTON

_____)
_____)
TO THE STATE FISCAL ACCOUNTABILITY
AUTHORITY OF SOUTH CAROLINA _____)

PETITION

This Petition of the South Carolina State Housing Finance and Development Authority (the "Authority") respectfully shows:

1. The Authority is empowered by the provisions of Title 31, Chapter 13, Code of Laws of South Carolina 1976, as amended (the "Act") upon the approval of the State Fiscal Accountability Authority of South Carolina (the "SFAA"), to issue bonds, the principal proceeds of which are to be applied to providing sanitary and safe residential housing for persons and families of low and moderate to low income at prices which such persons can afford and/or to refund any such bonds of the Authority.

2. The Authority has determined that there exists both a demand, and a need for money to provide mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes at affordable prices. In order to meet such demand, the Authority requests that it be empowered to issue and sell one or more series of long-term tax-exempt bonds and/or long-term taxable bonds in an amount not to exceed \$120,000,000 to make such mortgage loans directly (or indirectly through mortgage backed securities) and/or to refund any such bonds of the Authority. Certain taxable and refunding portions of the Series 2020A Bonds (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary will not require the use of the State Ceiling. The Series 2020A Bonds (Tax-Exempt and/or Taxable) or such other numbering convention as may be necessary are collectively referred to as the "Series 2020A Bonds".

3. The Series 2020A Bonds, other than any portion of which are taxable, if any, will be "private activity bonds" within the meaning of such term in Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"), which imposes a "volume cap" on private activity bonds (other than most refunding bonds) by way of a "State Ceiling" (as such term is used in Section 146(d) of the Code) applicable to each state.

4. The Authority is an "issuing authority" as such term is used in South Carolina Code Section 1-11-500, et seq., which proclaims the plan for allocating the State Ceiling on the issuance of tax-exempt private activity bonds in South Carolina, and devolves upon the SFAA the responsibility for making allocations of the State Ceiling.

5. The Authority may utilize, to the extent required by the Code, State Ceiling carryforward previously allocated to the Authority so that the tax-exempt portion of the Series 2020A Bonds may be issued.

6. The Series 2020A Bonds will be issued pursuant to the General Resolution adopted by the Authority on September 13, 1994, a copy of which has been filed with the SFAA, and one or more Supplemental Resolutions to be adopted by the Authority.

7. It is anticipated that the Series 2020A Bonds issued in one or more series will be sold at prices and at rates which will enable the Authority to make mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes at competitive rates. If the primary purpose of the applicable series of the Series 2020A Bonds is refunding prior bonds of the Authority, the Authority may determine that refunding certain of its prior bonds will result in lower total interest costs, after taking into consideration the costs of such refunding, and is expected to provide overall better economic return to the Authority over the life of the applicable series of the Series 2020A Bonds.

8. The income to be received by the Authority from the mortgage loans purchased directly with the proceeds of the applicable series of the Series 2020A Bonds (or indirectly through mortgage backed securities) and invested reserves will produce a spread within any applicable arbitrage limits imposed by the United States Treasury but will at the same time provide a proper margin to insure the prompt payment of the principal of and interest on the applicable series of the Series 2020A Bonds as they mature and money to pay the expenses of the Authority for its program, including expenses incident to the servicing of the loans purchased with the proceeds of the applicable series of the Series 2020A Bonds.

9. This Petition constitutes the Authority's request that the SFAA approve the issuance of the Series 2020A Bonds in one or more series.

10. It is anticipated that the applicable series of the Series 2020A Bonds will be rated at least "Aa" by Moody's Investors Service, Inc.

11. The Authority requests that the SFAA delegate to the State Treasurer (i) the ability to approve the principal amount and interest rate on the applicable series of the Series 2020A Bonds, (ii) to approve the form and substance of preliminary and final official statements to be distributed in connection with the sale of the applicable series of the Series 2020A Bonds; (iii) to approve the form and substance of a supplemental resolution or supplemental resolutions setting forth the terms and conditions of the applicable series of the Series 2020A Bonds; (iv) to approve the terms and conditions of the Purchase Contract(s); and (v) upon making a determination that the funds anticipated to be available for the payment of the Authority's bonds, including the applicable series of the Series 2020A Bonds, will be sufficient to provide for the payment of principal and interest thereon, to grant on behalf of the SFAA final approval for the issuance of the Series 2020A Bonds in one or more series. Prior to the issuance and delivery of the applicable series of the Series 2020A Bonds, the Authority will submit to the SFAA all information required by §31-13-220 of the Act, to wit:

- (a) the purpose and the principal amount of the applicable series of the Series 2020A Bonds to be issued;
- (b) the maturity schedule of the applicable series of the Series 2020A Bonds to be issued;
- (c) a schedule showing the annual debt service requirements of all outstanding bonds of the Authority;
- (d) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds; and
- (e) the method to be employed in selling the applicable series of the Series 2020A Bonds.

12. The Authority stands ready to produce any further information required by the SFAA.

WHEREFORE, on the basis of the foregoing, the Authority prays:

That the SFAA approve the issuance of the Series 2020A Bonds (or such other numbering convention) in one or more series.

Respectfully submitted,

SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT AUTHORITY

By: _____
Its: _____

_____, 2020

THE STATE FISCAL ACCOUNTABILITY AUTHORITY OF SOUTH CAROLINA

A RESOLUTION

APPROVING THE ISSUANCE BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY OF SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY MORTGAGE REVENUE BONDS, SERIES 2020A (TAX-EXEMPT AND/OR TAXABLE) OR SUCH OTHER NUMBERING CONVENTION AS MAY BE NECESSARY IN ONE OR MORE SERIES

WHEREAS, pursuant to Chapter 13, Title 31, Code of Laws of South Carolina, 1976, as amended, (the "Act"), upon the approval of the State Fiscal Accountability Authority of South Carolina (the "SFAA"), the South Carolina State Housing Finance and Development Authority (the "Authority") is empowered to issue bonds, the principal proceeds of which will be applied to providing sanitary and safe residential housing for persons and families of low income and moderate-to-low income at prices which such persons can afford and/or to refund any such bonds of the Authority; and

WHEREAS, the Authority heretofore on September 13, 1994, adopted a General Resolution for the issuance of South Carolina State Housing Authority Mortgage Revenue Bonds to provide money for mortgage loans to the beneficiary classes and/or to refund any such bonds of the Authority and afterwards issued multiple series of its bonds pursuant to said General Resolution (the "General Resolution"); and

WHEREAS, in light of additional demand for mortgage loans, the Authority proposes to make provision for the issuance of additional Authority Mortgage Revenue Bonds in one or more series, which may include long-term tax-exempt bonds and/or long-term taxable bonds not requiring additional State Ceiling (the "Series 2020A Bonds") or such other numbering convention as may be necessary, in an aggregate amount not to exceed \$120,000,000, with the final amount to be determined on the basis of the apparent demand for mortgage loans to be made directly (or indirectly through mortgage backed securities) with the proceeds of the applicable series of the Series 2020A Bonds and when a determination of the appropriate amount of bonds of the Authority for refunding can be made; and

WHEREAS, it is anticipated that the applicable series of the Series 2020A Bonds will be sold to underwriters (the "Underwriters") headed by Citigroup Global Markets Inc. bearing interest at competitive rates; and

WHEREAS, such sale shall be made pursuant to a purchase contract(s) between the Authority and the Underwriters (the "Purchase Contract"); and

WHEREAS, the SFAA has given due consideration to the proposed undertaking of the Authority and wishes to give approval to the issuance and sale of the Series 2020A Bonds in one or more series, subject to the conditions set forth herein.

NOW, THEREFORE BE IT RESOLVED BY THE STATE FISCAL ACCOUNTABILITY AUTHORITY OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

Section 1. Subject to the conditions set forth herein, approval is hereby granted by the SFAA to the issuance and sale by the Authority of not exceeding \$120,000,000 South Carolina State Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2020A (or such other numbering convention as may be necessary) in one or more series.

The applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) shall be secured by the General Resolution and shall be further secured by, and subject to such terms and conditions as shall be set forth in, a supplemental resolution or resolutions which shall hereafter be adopted by the Authority.

Section 2. The approval is granted provided that the Authority shall submit to the SFAA all information required to be submitted to it pursuant to Section 31-13-220 of the Act such as the following:

- (a) the purpose and the principal amount of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) to be issued;
- (b) the maturity schedule of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) to be issued;
- (c) a schedule showing the annual debt service requirements of all outstanding bonds of the Authority;
- (d) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds of the Authority; and
- (e) the method to be employed in selling the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary).

Section 3. The State Treasurer is hereby delegated the authority to approve, on behalf of the SFAA, the items set forth below in Section 4.

Section 4. The approval is granted subject to the following conditions:

- (a) The Authority shall submit to the SFAA all information required to be submitted to it pursuant to Section 31-13-220 of the Act as stated above;
- (b) The State Treasurer shall approve the principal amount of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) and the rate of interest to be borne thereby upon the issuance and delivery thereof;
- (c) The State Treasurer shall approve the form and substance of preliminary and final official statements to be distributed in connection with the sale of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary);
- (d) The State Treasurer shall approve the form and substance of a supplemental resolution or supplemental resolutions setting forth the terms and conditions of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary);
- (e) The State Treasurer shall approve the terms and conditions of the Purchase Contract(s); and
- (f) The State Treasurer shall approve the issuance of the Series 2020A Bonds (or such other numbering convention as may be necessary) on behalf of the SFAA upon making a determination that the funds anticipated to be available for the payment of the Authority's bonds, including the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary), will be sufficient to provide for the payment of principal and interest thereon.

Section 5. Approval is granted to the undertaking of the Authority to make mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes to enable such borrower to acquire single family homes with all available proceeds from the applicable series of the Series 2020A Bonds and/or to refund any such bonds of the Authority (or such other numbering convention) in one or more series.

STATE OF SOUTH CAROLINA
COUNTY OF LEXINGTON

I, the undersigned Secretary of the South Carolina State Housing Finance and Development Authority (the "Authority"), DO HEREBY CERTIFY that the foregoing is a true, correct, and verbatim copy of a Resolution duly adopted by the Authority at a duly called meeting held on January 15, 2020.

WITNESS MY HAND this 15th day of January, 2020.

Secretary, South Carolina State Housing Finance and
Development Authority

THE STATE FISCAL ACCOUNTABILITY AUTHORITY OF SOUTH CAROLINA

A RESOLUTION

APPROVING THE ISSUANCE BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY OF SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY MORTGAGE REVENUE BONDS, SERIES 2020A (TAX-EXEMPT AND/OR TAXABLE) OR SUCH OTHER NUMBERING CONVENTION AS MAY BE NECESSARY IN ONE OR MORE SERIES

WHEREAS, pursuant to Chapter 13, Title 31, Code of Laws of South Carolina, 1976, as amended, (the "Act"), upon the approval of the State Fiscal Accountability Authority of South Carolina (the "SFAA"), the South Carolina State Housing Finance and Development Authority (the "Authority") is empowered to issue bonds, the principal proceeds of which will be applied to providing sanitary and safe residential housing for persons and families of low income and moderate-to-low income at prices which such persons can afford and/or to refund any such bonds of the Authority; and

WHEREAS, the Authority heretofore on September 13, 1994, adopted a General Resolution for the issuance of South Carolina State Housing Authority Mortgage Revenue Bonds to provide money for mortgage loans to the beneficiary classes and/or to refund any such bonds of the Authority and afterwards issued multiple series of its bonds pursuant to said General Resolution (the "General Resolution"); and

WHEREAS, in light of additional demand for mortgage loans, the Authority proposes to make provision for the issuance of additional Authority Mortgage Revenue Bonds in one or more series, which may include long-term tax-exempt bonds and/or long-term taxable bonds not requiring additional State Ceiling (the "Series 2020A Bonds") or such other numbering convention as may be necessary, in an aggregate amount not to exceed \$120,000,000, with the final amount to be determined on the basis of the apparent demand for mortgage loans to be made directly (or indirectly through mortgage backed securities) with the proceeds of the applicable series of the Series 2020A Bonds and when a determination of the appropriate amount of bonds of the Authority for refunding can be made; and

WHEREAS, it is anticipated that the applicable series of the Series 2020A Bonds will be sold to underwriters (the "Underwriters") headed by Citigroup Global Markets Inc. bearing interest at competitive rates; and

WHEREAS, such sale shall be made pursuant to a purchase contract(s) between the Authority and the Underwriters (the "Purchase Contract"); and

WHEREAS, the SFAA has given due consideration to the proposed undertaking of the Authority and wishes to give approval to the issuance and sale of the Series 2020A Bonds in one or more series, subject to the conditions set forth herein.

NOW, THEREFORE BE IT RESOLVED BY THE STATE FISCAL ACCOUNTABILITY AUTHORITY OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

Section 1. Subject to the conditions set forth herein, approval is hereby granted by the SFAA to the issuance and sale by the Authority of not exceeding \$120,000,000 South Carolina State Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2020A (or such other numbering convention as may be necessary) in one or more series.

The applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) shall be secured by the General Resolution and shall be further secured by, and subject to such terms and conditions as shall be set forth in, a supplemental resolution or resolutions which shall hereafter be adopted by the Authority.

Section 2. The approval is granted provided that the Authority shall submit to the SFAA all information required to be submitted to it pursuant to Section 31-13-220 of the Act such as the following:

- (a) the purpose and the principal amount of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) to be issued;
- (b) the maturity schedule of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) to be issued;
- (c) a schedule showing the annual debt service requirements of all outstanding bonds of the Authority;
- (d) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds of the Authority; and
- (e) the method to be employed in selling the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary).

Section 3. The State Treasurer is hereby delegated the authority to approve, on behalf of the SFAA, the items set forth below in Section 4.

Section 4. The approval is granted subject to the following conditions:

- (a) The Authority shall submit to the SFAA all information required to be submitted to it pursuant to Section 31-13-220 of the Act as stated above;
- (b) The State Treasurer shall approve the principal amount of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary) and the rate of interest to be borne thereby upon the issuance and delivery thereof;
- (c) The State Treasurer shall approve the form and substance of preliminary and final official statements to be distributed in connection with the sale of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary);
- (d) The State Treasurer shall approve the form and substance of a supplemental resolution or supplemental resolutions setting forth the terms and conditions of the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary);
- (e) The State Treasurer shall approve the terms and conditions of the Purchase Contract(s); and
- (f) The State Treasurer shall approve the issuance of the Series 2020A Bonds (or such other numbering convention as may be necessary) on behalf of the SFAA upon making a determination that the funds anticipated to be available for the payment of the Authority's bonds, including the applicable series of the Series 2020A Bonds (or such other numbering convention as may be necessary), will be sufficient to provide for the payment of principal and interest thereon.

Section 5. Approval is granted to the undertaking of the Authority to make mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes to enable such borrower to acquire single family homes with all available proceeds from the applicable series of the Series 2020A Bonds and/or to refund any such bonds of the Authority (or such other numbering convention) in one or more series.

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Charleston, SC 29401

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BURR.COM

[FORM OF OPINION FOR FISCAL ACCOUNTABILITY AUTHORITY AGENDA]

_____, 2020

South Carolina State Housing Finance
and Development Authority
Columbia, South Carolina

Re: \$[120,000,000] South Carolina State Housing Finance and Development Authority Mortgage
Revenue Bonds, Series 2020A

Ladies and Gentlemen:

We have acted as bond counsel to South Carolina State Housing Finance and Development Authority (the "Authority") in connection with the issuance of \$[120,000,000] Mortgage Revenue Bonds, Series 2020A (the "Series 2020A Bonds"). In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Series 2020A Bonds are issued by the Authority pursuant to (i) the South Carolina State Housing Finance and Development Authority Act of 1977, codified as Title 31, Chapter 13, Code of Laws of South Carolina, 1976, as amended (the "Act"), (ii) the approval of the State Fiscal Accountability Authority of South Carolina, (iii) the General Resolution adopted by the Authority on September 13, 1994, as amended (the "General Resolution") and (iv) the Series 2020A Supplemental Resolution adopted by the Authority on _____, 20__ (the "Series 2020A Supplemental Resolution"). The General Resolution and the Series 2020A Supplemental Resolution are collectively referred to hereinafter as the "Resolution" and capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Resolution.

As to questions of fact material to our opinion, we have relied upon representations of the Authority contained in the Resolution, the certified proceedings and other instruments, certificates, agreements, covenants and opinions furnished to us, without undertaking to verify the same by independent investigation, including without limitation, an opinion of general counsel to the Authority as to the Authority's compliance with all applicable laws with respect to the operation of the Program.

Based upon the foregoing, it is our opinion that, under existing law:

1. The Authority is validly existing as a public body corporate and politic of the State with the power to enter into and perform its obligations under the Resolution and to issue the Series 2020A Bonds.

2. The Series 2020A Supplemental Resolution has been duly authorized by the Authority, and is a valid and binding obligation of the Authority enforceable against the Authority.

3. The Series 2020A Bonds have been duly authorized and executed by the Authority, and are valid and binding obligations of the Authority payable solely from the Trust Estate. The General Resolution creates a valid lien on the Revenues and the other Funds pledged by the General Resolution as security for the Series 2020A Bonds.

4. Interest on the Series 2020A Bonds is excludable from gross income for federal income tax purposes. Interest on the Series 2020A Bonds is not an item of tax preference in computing the alternative minimum tax imposed on individuals under the Internal Revenue Code of 1986, as amended (the "Code"). The opinion set forth in the first sentence of this paragraph is subject to the condition that the Authority comply with all requirements of the Code subsequent to the issuance of the Series 2020A Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Authority has covenanted to comply with all such requirements in the Tax and Arbitrage Certificate. Failure to comply with certain of such requirements may cause interest on the Series 2020A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2020A Bonds. Ownership of tax-exempt obligations, including the Series 2020A Bonds, may result in collateral federal income tax consequences to certain taxpayers. We express no opinion regarding other federal tax consequences arising with respect to the Series 2020A Bonds.

5. Interest on the Series 2020A Bonds is exempt from all state, county, municipal, school district, and all other taxes or assessments provided by the laws of the State of South Carolina except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise and certain franchise taxes. It should be noted, however, that Section 12-11-20, Code of Laws of South Carolina, 1976, as amended, imposes upon every bank engaged in business in the State a fee or franchise tax computed on the entire net income of such bank which includes interest paid on the Series 2020A Bonds.

The rights of the owners of the Series 2020A Bonds and the enforceability of the Series 2020A Bonds and the Resolution are limited by applicable bankruptcy, insolvency, fraudulent transfer or other laws affecting the enforcement of creditor's rights generally, now existing or hereafter in force, judicial discretion and equitable principles whether at law or in equity, as applied by a court of competent jurisdiction. Further, we express no opinion regarding any indemnification or contribution requirement.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement or other offering document relating to the Series 2020A Bonds, or regarding the perfection or priority of

South Carolina State Housing Finance
and Development Authority

_____, 2020

Page 3

the lien on Revenues or other funds created by the Resolution. Further, we express no opinion regarding tax consequences arising with respect to the Series 2020A Bonds other than as expressly set forth herein.

Our opinion is rendered under existing statutes and court decisions as of the date hereof, and we assume no obligation to update our opinion after the date hereof to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. We express no opinion on the effect of any action hereafter taken.

Very truly yours,

BURR & FORMAN LLP



OFFICE OF STATE TREASURER

New Debt Information Form (NDIF) - Initial Form

SFAA Approval Date: 02/04/20

Final Version Date: 00/00/00

1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: L320 Issuer: South Carolina Housing Finance & Development Authority Series: 2020 A

Borrower (if not Issuer):

Bond Caption: Mortgage Revenue Bonds

Bond Resolution Amount: \$120,000,000.00

Est. Production/Par Amt: \$114,000,000.00

(* Used to calculate initial COI percentages; STO bond issues must use Par Amt *)

Final Production/Par Amt: \$0.00

Submitted By:

ENTITY SC Housing Finance & Development

BY: Tracey Easton

ITS: General Counsel, Director of Legal and

Tel: 803-896-8771

Email: tracey.easton@schousing.com

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): Yes

MSRB (EMMA) Continuing Disclosure Responsible Party: South Carolina Housing Finance & Development Authority

2. FINANCING (NEW PORTION)

Project #: Project Name: Single Family Mortgage Revenue Bonds

Project Address/Location: Available Statewide Amount: \$114,000,000.00

Project Type: Single Family Mortgages County:

Projected Avg Interest Rate: 4.00% Final Maturity: 07/01/50

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: Stifel

Bond Counsel: Burr Forman McNair

Underwriter: Citigroup

Paying Agent: Bank of New York Mellon

Disclosure Counsel:

Issuer's Counsel:

Trustee:

Other:

Howell Linkous & Nettles

Internal Counsel

Bank of New York Mellon

Underwriter's Counsel - Parker Poe Adams

5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

** See attached page for details. **

6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	01/15/20	Prelim/ Final
JBRC Approval:	00/00/00	
SFAA Approval:	02/04/20	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	00/00/00	
JBRC Approval:	00/00/00	
SFAA Approval:	00/00/00	

7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

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)

Yes No
☐ ☒

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.

Sq. Footage - Not Applicable
Cost Estimate - \$0

Est. Expenditures - Through 6 Months
 Est. Expenditures - Through 12 Months
 Est. Expenditures - Through 18 Months
 Est. Expenditures - Through 24 Months
 Est. Expenditures - Through 36 Months
 Est. Expenditures - Through 48 Months
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 120,000,000.00	6/30/2020	Purchasing Mortgages / COI / DSR
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$ 120,000,000.00		

8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 114,000,000.00	\$ 114,000,000.00	Project Fund
(b) Premium/Accr. Int.	\$ 6,000,000.00	\$ 1,500,000.00	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$ 1,850,500.00	\$ 3,420,000.00	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$		Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 1,220,500.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$	Accrued Interest
Type -	\$	\$ 1,710,000.00	Servicing Release Premium
Residual Project Sources		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
Total Project Sources	\$ 121,850,500.00	\$ 121,850,500.00	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	GKB / Stifel			\$ 71,000.00	\$	\$ 71,000.00
Bond Counsel	Burr Forman McNair			\$ 114,000.00	\$	\$ 114,000.00
Disclosure Counsel	Howell Linkous & Nettles			\$ 57,000.00	\$	\$ 57,000.00
Issuer's Counsel	Internal Counsel			\$	\$	\$
Underwriter's Counsel	Parker Poe Adams			\$ 28,500.00	\$	\$ 28,500.00
Transaction Counsel				\$	\$	\$
Legal Expenses				\$	\$	\$
				\$	\$	\$
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$ 70,000.00	\$	\$ 70,000.00
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation				\$ 820,000.00	\$	\$ 820,000.00
Registrar / Paying Agent				\$ 30,000.00	\$	\$ 30,000.00
Escrow Agent				\$	\$	\$
Accountant				\$	\$	\$
Verification Agent				\$	\$	\$
Printing				\$	\$	\$
Publishing				\$	\$	\$
Advertising				\$	\$	\$
Contingency				\$ 30,000.00	\$	\$ 30,000.00
Issuer's Fee	SC JEDA / SC SHFDA			\$	\$	\$
				\$ 1,220,500.00	\$	\$ 1,220,500.00

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction
 Bond Counsel: % of Transaction
 Total Legal Costs: % of Transaction
 Rating Agencies: % of Transaction

0.06%	#DIV/0!
0.10%	#DIV/0!
0.18%	#DIV/0!
0.06%	#DIV/0!

UW Comp: % of Transaction
 Other COI: % of Transaction
 Total COI: % of Transaction

0.72%	#DIV/0!
0.05%	#DIV/0!
1.07%	#DIV/0!



South Carolina Office of State Treasurer New Debt Information Form Attachment

*02.04.2020 – South Carolina Housing Finance & Development Authority –
Mortgage Revenue Bonds - \$120,000,000*

Supplemental Response to Section 5:

This SFAA financing request is to secure new funds for agency purposes. The 2020A bonds will provide new proceeds for affordable housing loans to qualifying low and moderate income first-time single-family home buyers.

Issuance costs (not including the estimated underwriters discount) are estimated at \$400,500 based on vendor contracts and typical fees for prior SC Housing transactions.

Key Notes

The estimated schedule for this project is as follows:

- Preliminary Board Approval of 2020A: 1/15/2020
- SFAA Approval of 2020A: 2/4/2020
- Final Board Approval of 2020A: 3/18/2020
- Pricing of 2020A: 4/14/2020
- Closing of 2020A: 4/30/2020

HOWELL LINKOUS & NETTLES, LLC

Bond Attorneys & Counsellors at Law

Samuel W. Howell, IV
Writer's Direct No. 843.266.3801
E-mail samhowell@bond-law.com

The Lining House
106 Broad Street
Charleston, South Carolina 29401

Post Office Box 1768
Charleston, South Carolina 29402

Telephone 843.266.3800
Fax 843.266.3805

Concentrating in Municipal Bonds,
Local Government Law, Economic
Development Incentives,
Affordable Housing Development

3 January 2020

VIA FEDERAL EXPRESS

Delbert H. Singleton, Esq.
Assistant Executive Director and Board Secretary
State Fiscal Accountability Authority
Wade Hampton Office Building
1200 Senate Street, 6th Floor
Columbia, South Carolina 29201

Re: Not exceeding \$10,000,000 South Carolina State Housing Finance and
Development Authority Multifamily Housing Revenue Bonds (Northside
Apartments), Series 2020

Dear Delbert:

My firm serves as bond counsel to Partans, LLC, a South Carolina limited liability company (the "Housing Sponsor"), with respect to the issuance of the above-captioned bonds to provide a portion of the financing for the acquisition and construction of multifamily rental housing facilities, consisting of approximately 90 rental units and related facilities, to be located in the City of Spartanburg, South Carolina, known as Northside Apartments. Total project costs are estimated at approximately \$17,300,000. Tax credit equity, in the amount of approximately \$5,295,000, will be raised as the result of financing the construction of the project with tax-exempt private activity bonds.

Enclosed is the agenda package for the December meeting of the State Fiscal Accountability Authority requesting State law approval for the issuance of the bonds. Included with the agenda package is our opinion letter to the SFAA with respect to the agenda package complying with the bond act.

Also enclosed are a schedule of estimated Sources and Uses of Funds relating to the project, a Projected Cash Flow schedule showing the expected full term of repayment of the Bond, and a debt service table for the bond issue.

Delbert H. Singleton, Esq.
3 January 2019
Page 2

Also enclosed is the New Debt Information Form (NDIF) with respect to this transaction. Please note that none of the costs of issuance of the Bonds will be paid from the proceeds of the Bonds; but they are the sole responsibility of the Housing Sponsor to pay at closing. By copy of this letter, I am also providing Kevin Kibler with the NDIF for this transaction.

It is anticipated that the Bonds will be privately placed with an institutional lender as a bank-loan structure to provide construction and a portion of permanent financing for this project. The Bonds are intended to be issued as exempt facility bonds for qualified residential rental projects under Section 142(a)(7) of the Internal Revenue Code of 1986, as amended. Volume cap for this financing is expected to be provided by the State Housing Authority from carry-forward volume cap that has previously been allocated to the State Housing Authority. Adoption of the final bond resolution of the State Housing Authority is presently anticipated to occur at its March board meeting.

I will attend the Authority's meeting to answer any questions which may arise at the meeting. In the meantime, should you have any questions or concerns, please give me a call. With kindest personal regards, I remain,

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Sam', is written over the typed name.

Samuel W. Howell

SWH,IV/sls
Enclosures

cc: Tracey C. Easton, Esq.(via fed ex)
Mr Kevin Kibler (via fed ex)

TRANSMITTAL FORM, REVENUE BONDS

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

DATE: January 3, 2020

Submitted for SFAA Meeting on:

February 4, 2020

FROM:

RE:

Howell Linkous & Nettles, LLC
Name of Law Firm

Not exceeding \$10,000,000
Amount of Issue

106 Broad Street
Street Address/Box Number

South Carolina State Housing Finance and
Development Authority
Name of Issuing Authority

Charleston, South Carolina 29401
City, State, Zip Code

Multifamily Housing Revenue Bonds
Type of Bonds or Notes

(843) 266-3800
Area Code/Telephone Number

March 25, 2020
Projected Issue Date

Project Name: Northside Apartments

Project Description: to provide construction and permanent financing for the acquisition and construction of the multifamily rental housing facilities, consisting of approximately 90 rental units, to be located in the City of Spartanburg, South Carolina.

Employment as a result of the project: N/A

Ceiling Allocation Required
__ Yes (\$) X No
Amount

Refunding Involved
__ Yes (\$) X No
Amount

Project Approved Previously
__ Yes (\$) X No
Amount

Documents enclosed (executed original and two copies of each):

(ALL documents required for state law approval; A and C only for ceiling allocation only.)

- A. X Petition
- B. n/a Resolution or Ordinance
- C. X Inducement Resolution or comparable preliminary approval
- D. n/a Department of Health and Environmental Control Certificate *if required*
- E. X State Fiscal Accountability Authority Resolution and Public Notice (original)
Plus 6 copies for certification and return to bond counsel
- F. X Draft bond counsel opinion letter
- G. n/a Processing Fee
Amount: \$
Payor:

Check No:

Bond Counsel: Samuel W. Howell, IV
Typed Name of Bond Counsel

By: 
Signature

HOWELL LINKOUS & NETTLES, LLC
Bond Attorneys & Counsellors at Law

The Lining House
106 Broad Street
Charleston, South Carolina 29401

Post Office Box 1768
Charleston, South Carolina 29402

Telephone 843.266.3800
Fax 843.266.3805

Concentrating in Municipal Bonds,
Local Government Law, Economic
Development Incentives,
Affordable Housing Development

January 3, 2020

State Fiscal Accountability Authority
Columbia, South Carolina

Not to Exceed \$10,000,000
South Carolina State Housing Finance and Development Authority
Multifamily Housing Revenue Bonds (Northside Apartments), Series 2020

Ladies and Gentlemen:

We are acting as bond counsel in connection with the proposed issuance by the South Carolina State Housing Finance and Development Authority (the "Issuer"), of the referenced bonds (the "Bonds"). At your request, we are delivering this opinion in connection with the Issuer's Petition ("Petition") to the State Fiscal Accountability Authority ("SFAA"), to receive the SFAA's approval of the issuance of the Bonds pursuant to Title 31, Chapter 13 of the Code of Laws of South Carolina 1976, as amended (the "Act"), to enable the Issuer to make a mortgage loan (the "Mortgage Loan") to Partans, LLC (the "Housing Sponsor") to be used to provide construction and permanent financing for a multifamily rental housing development (the "Project").

In that capacity, we have examined originals or copies of the Petition and the Preliminary Bond Resolution adopted by the Board of Commissioners of the Issuer (the "Preliminary Bond Resolution"), and the form of the Loan Agreement (collectively with the Preliminary Bond Resolution, and the Petition, the "Transaction Documents"), and other documents, certificates, and correspondence as we have deemed necessary for purposes of giving this opinion.

In rendering the opinion expressed below, we have relied solely on our examination of the Transaction Documents. We have not made any investigation as to any factual matter or as to the accuracy or completeness of any representation, warranty, data, or any other information, whether written or oral, that may have been made by or on behalf of the Issuer, the Housing Sponsor, the SFAA, or the other parties to the Transaction Documents. Further, in rendering the opinion expressed below, we do not purport to be experts in or generally familiar with or qualified to express legal opinions based on the laws of any jurisdiction other than the federal laws of the United States of America and the laws of the State of South Carolina, and the

opinions are limited to the federal laws of the United States of America and the laws of the State of South Carolina.

Based on the stated examination and assumptions, and subject to the stated qualifications and limitations, we are of the opinion, under existing law, that the Transaction Documents comply with all requirements of the Act and are legally sufficient and contain all required findings by the respective authorities to authorize the SFAA to approve the Bonds.

Except as set forth above, we express no opinion in connection with the issuance and sale of the Bonds. The opinion expressed above is rendered solely for your benefit in considering the approval of the issuance of the Bonds under the Act. The opinion may neither be relied on by you for any other purpose nor be furnished to, used, circulated, quoted, or relied on by any other person or entity for any other purpose, without our prior written consent in each instance. We disclaim any obligation to update the opinion expressed above for events occurring or coming to our attention after the date of this letter.

Very truly yours,

HOWELL LINKOUS & NETTLES, LLC



Samuel W. Howell

PETITION FOR APPROVAL

TO: THE STATE FISCAL ACCOUNTABILITY
AUTHORITY

NORTHSIDE APARTMENTS

This Petition of the South Carolina State Housing Finance and Development Authority (the "Authority"), is submitted to the State Fiscal Accountability Authority (the "SFAA") pursuant to the South Carolina State Housing Finance and Development Authority Act of 1977 (Title 31, Chapter 13 of the Code of Laws of South Carolina 1976, as amended) (the "Act"), and respectfully shows:

1. The Act, among other things, provides that whenever the Authority shall have determined by resolution that sufficient persons or families of either beneficiary class (as defined in the Act) (the "Beneficiary Classes") are unable to pay the amounts at which private enterprise is providing decent, safe, and sanitary housing and that through the exercise of one or more of the programs authorized by the Act, decent, safe, and sanitary housing will become available to members of the class in need therefor, then, upon obtaining the approval of the SFAA pursuant to the Act, and in order to provide funds for its corporate purposes, the Authority is authorized to issue from time to time its bonds or notes for the purpose of obtaining funds with which to make construction and permanent mortgage loans to housing sponsors who agree to and are required to provide for construction and rehabilitation of residential housing (as defined in the Act) for rental by persons or families of either Beneficiary Class; provided, however, that with respect to any particular issue of bonds or notes, one of the following conditions must be met: (a) if there is a public distribution of the bonds or notes, the issue must be rated by one or more of the national rating agencies, and one or more of the following conditions must be met: (i) there must be in effect a federal program providing assistance in repayment of the loans; or (ii) the proceeds must be used to acquire either federally insured mortgage loans or mortgage loans insured by a private mortgage insurer authorized to do business in the State of South Carolina; or (iii) the payment of the bonds or notes to the purchasers and holders of them must be assured by the maintenance of adequate reserves or insurance or a guaranty from a responsible entity which has been determined to be sufficient by the Authority and the SFAA; or (b) if the bonds or notes are secured by a mortgage or other security agreement and are offered and sold as a unit with such mortgage or other security agreement in transactions with banks, institutional investors, or other nonregistered persons as provided in Section 35-1-202(11)(A) of the Code of Laws of South Carolina 1976, as amended, and the documents pursuant to which the bonds or notes are issued must permit the Authority to avoid any default by it by completing an assignment of, or foregoing its rights with respect to, any collateral or security pledged to secure the bonds or notes.

2. Partans, LLC (the "Housing Sponsor"), a South Carolina limited liability company, has requested that the Authority provide a mortgage loan (the "Mortgage Loan") to provide permanent financing for the acquisition and construction of a 90-unit apartment development to be located in the City of Spartanburg, South Carolina, known as Northside

Apartments (the "Project"), by the funding of a mortgage loan (the "Mortgage Loan") through the issuance of its revenue bond.

3. The Authority proposes to fund the Mortgage Loan to the Housing Sponsor by the making of a loan (the "Funding Loan") to the Authority by Cedar Rapids Bank & Trust (the "Lender"), to be evidenced by a bond to be issued by the Authority pursuant to a Bond Resolution to be adopted by the Authority (the "Resolution"), such bond to be designated "South Carolina State Housing Finance and Development Authority Multifamily Housing Revenue Bond (Northside Apartments) (the "Bonds"), the proceeds of which will be used to fund the Mortgage Loan to the Housing Sponsor to provide construction and permanent financing for a portion of the costs of the Project and to qualify the Project for federal Low Income Housing Tax Credits (the "Tax Credits"). The Bonds are to be issued in the maximum principal amount not to exceed \$10,000,000.

4. The Authority requested of the SFAA, and was granted, a carry-forward allocation of private activity bond volume cap under Section 146(f)(2) of the Code, a portion of which shall be allocated to the Bonds.

5. The Authority has determined that:

(a) (i) Sufficient persons or families of the Beneficiary Classes are unable to pay rent in the amounts at which private enterprise is providing decent, safe, and sanitary housing; (ii) through the exercise of one or more of the loan programs authorized by the Act, decent, safe, and sanitary housing would become available to members of the Beneficiary Classes in need thereof; and (iii) a series of bonds or notes must be sold in order to alleviate the lack of decent, safe, and sanitary housing available to individuals of the Beneficiary Classes.

(b) In order to provide the moneys necessary to continue to implement the Authority's program, the Bonds must be issued.

(c) The Bonds will be issued and delivered to the Lender or to such other institutional lender as is requested by the Housing Sponsor and approved by the Authority. The Bonds will be secured by a mortgage or other security agreement and are expected to be offered and sold as a unit with such mortgage or other security agreement to the Lender, and the documents pursuant to which the Bonds are to be issued will permit the Authority to avoid any default by it by completing an assignment of, or foregoing its rights with respect to, any collateral or security pledged to secure the Bonds, which arrangement has been determined by the Authority to be sufficient for purposes of the Act, and that the revenues or other funds estimated to be available for the payment of debt service will provide moneys required for the repayment of the principal and interest on the bonds and notes of the Authority, including the Bonds.

6. The Authority will adopt the Resolution authorizing the issuance and delivery of the specific maximum amount of the Bonds and establishing the definitive terms thereof, including those revenues and assets to be pledged to the payment of the Bonds as described

above. The Authority will take steps necessary to comply with the requirements of Sections 103 and 141-150 of the Code.

7. It is expected that the Bonds will be issued pursuant to a Loan Agreement (the "Loan Agreement") among the Authority, the Housing Sponsor, and the Lender, and related documents, pursuant to which the proceeds of the Bonds will be used to finance a portion of the costs of acquisition and construction of the Project. The interest rate to be borne by the Bonds have not been determined. It is expected that during the construction phase, the Bonds will bear interest at a rate equal to the 30-day LIBOR plus 2.50%, which is currently estimated to be 4.20%. Upon conversion to permanent financing, the Bonds will bear interest at a rate equal to 79% of the 30-day LIBOR plus 2.00%, to be fixed by a swap agreement between the Housing Sponsor and the Lender, which in current market conditions is approximately 4.31% per annum.

8. The size, date, maturity schedule, payment dates, and repayment provisions with respect to the Bonds shall be finally determined prior to the date the Bonds are issued. As soon as these matters are finally determined, a precise schedule thereof shall be presented to the SFAA or its designee as provided by the Act. There are hereby filed with the SFAA pro forma schedules with respect to the Bonds based on current estimates and market conditions.

9. The Authority requests that the SFAA delegate to the State Treasurer the ability to approve the interest rate on the Bonds, and upon making determination that the funds anticipated to be available for the payment of the Authority's notes and bonds, including the Bonds, will be sufficient to provide for the payment of principal and interest thereon, to grant on behalf of the SFAA final approval for the issuance of the Bonds. Prior to the issuance of the Bonds, the Authority shall have provided to the State Treasurer, to the extent not previously provided herein or otherwise, the information required to be submitted to the SFAA by the provisions of Section 31-13-220, to wit:

- (a) the principal amount of the Bonds to be issued;
- (b) the maturity schedule of the Bonds to be issued;
- (c) schedules showing the annual debt service requirements on all outstanding notes and bonds of the Authority;
- (d) schedules showing the amount and source of revenues available for the payment of the debt service requirements established by the schedules referenced in item (c);
- (e) the method to be employed in selling the Bonds.

Attached hereto in response to the requirements of Section 31-13-220 are the following schedules, certain of which are pro forma schedules because the Bonds have not been priced or sold as of the date of this Petition, to wit:

- (i) a pro forma (in lieu of final schedules) of the principal amount of the Bonds to be issued;
- (ii) a pro forma (in lieu of final schedules) of the maturity schedule of the Bonds to be issued;
- (iii) schedules showing the annual debt service requirements on all outstanding

- notes and bonds of the Authority have previously been provided to the Office of the State Treasurer;
- (iv) schedules showing the amount and source of revenues available for the payment of the debt service requirements established by the schedules referenced in item (iii) have previously been provided to the Office of the State Treasurer;
 - (v) the method to be employed in selling the Bonds.

10. The Bonds are limited obligations of the Authority secured by and payable solely from moneys, income, and receipts of the Authority pledged under the Resolution and the Loan Agreement with respect thereto.

11. Schedules showing the annual debt service requirements of all outstanding bonds and notes of the Authority and the sources of revenues available for the payment of such debt service requirements have previously been provided to the Office of the State Treasurer by Authority.

WHEREFORE, on the basis of the foregoing, the Authority prays the SFAA (i) to accept the filing of this Petition and the documents submitted herewith; (ii) to undertake such review as it deems necessary; and (iii) to give conditional approval of the issuance of the Bonds, in the aggregate principal amount of not to exceed \$10,000,000 for the purpose of financing the Mortgage Loan to pay a portion of the cost of the acquisition and construction of the Project, as set forth above.

Respectfully submitted,

**SOUTH CAROLINA STATE HOUSING FINANCE
AND DEVELOPMENT AUTHORITY**

By: _____

General Counsel

January 7, 2020

A RESOLUTION

MAKING PRELIMINARY PROVISION FOR THE ISSUANCE OF NOT EXCEEDING \$10,000,000 AGGREGATE PRINCIPAL AMOUNT OF MULTIFAMILY HOUSING REVENUE BONDS (NORTHSIDE APARTMENTS) OF THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY AND OTHER MATTERS RELATED THERETO.

WHEREAS, the South Carolina State Housing Finance and Development Authority Act of 1977, Act No. 76 of the Acts and Joint Resolutions of the General Assembly of 1977, as amended, (the "Act"), provides that the South Carolina State Housing Finance and Development Authority (the "Authority"), upon making a determination that sufficient persons or families of either beneficiary class (as defined by the Act) (the "Beneficiary Classes") are unable to pay the amounts at which private enterprise is providing decent, safe, and sanitary housing, that through the exercise of one or more of the programs authorized by the Act, decent, safe, and sanitary housing would become available to members of the Beneficiary Classes in need therefor, and that a series of bonds or notes must be sold in order to alleviate the lack of decent, safe, and sanitary housing available to members of the Beneficiary Classes; and

WHEREAS, upon making such determination and upon the approval of the State Fiscal Accountability Authority (the "SFAA"), the Authority may issue from time to time notes and bonds for the purpose of obtaining funds with which to make (1) construction and/or rehabilitation loans secured by mortgages of housing sponsors; and (2) permanent mortgage loans to housing sponsors who agree to and shall be required to provide construction and/or rehabilitation of residential housing for rental by persons or families of either beneficiary class as defined by the Act, provided, however, with respect to any particular issue of notes or bonds one of the following conditions must be met: (a) if there is a public distribution of the notes or bonds, the issue must be rated by one or more of the national rating agencies and one or more of the following conditions must be met: (i) that there is in effect a federal program providing assistance in the payment of such loans made by the Authority; (ii) the proceeds must be used to acquire either federally insured mortgages or mortgages insured by a private mortgage insurance company authorized to do business in the State of South Carolina; or (iii) the payment of the notes or bonds to the purchasers of them must be assured by the maintenance of adequate reserves or insurance or a guaranty from a responsible entity which has been determined to be sufficient by the Authority and the SFAA; or (b) if the notes or bonds are secured by a mortgage or other security agreement and are offered and sold as a unit with such mortgages or other security agreement in transactions with banks, institutional investors, or other non-registered persons as provided in Section 35-1-202(11)(A) of the Code of Laws of South Carolina, 1976, as amended, and the documents pursuant to which the notes or bonds are issued must permit the Authority to avoid any default by it by completing an assignment of, or foregoing its rights with respect to, any collateral or security pledged to secure the notes or bonds; and

WHEREAS, Partans, LLC, a limited liability company duly organized under the laws of the State of South Carolina (the "Sponsor"), has requested the Authority to assist it in the acquisition, rehabilitation, and construction of (i) a 90-unit apartment development located in the City of Spartanburg, Spartanburg County, South Carolina, known as Northside Apartments, by the funding of a mortgage loan (the "Mortgage Loan") through the issuance of its bonds to be known as Multifamily Housing Revenue Bonds (Northside Apartments) (with any appropriate

series or subseries designation) in the aggregate principal amount of not exceeding \$10,000,000 (the "Bonds");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY IN MEETING DULY ASSEMBLED:

Section 1. Adoption of Premises. Each statement of fact set forth in the preamble hereto has been carefully examined and has been found to be in all respects true and correct.

Section 2. Undertakings of the Authority. In the event the Sponsor meets the requirements set forth herein and in order to provide the moneys required to finance the Mortgage Loan, to establish the necessary reserve funds, and to pay the costs and expenses of the Authority in connection therewith, the Authority will undertake to issue a series of bonds to be designated as "South Carolina State Housing Finance and Development Authority Multifamily Housing Revenue Bonds (Northside Apartments)" (with any appropriate series or subseries designation) in the aggregate principal amount of not exceeding \$10,000,000.

Any obligation of the Authority hereunder is subject to (a) the requirements that (i) the Project shall have received such local approval, if any, as is required under the Act, and (ii) the Authority approve the items which may be included in any required charges (rent plus any other mandatory payments) to occupants of the Project, and (iii) the Bonds be approved by the SFAA and (b) the right of the Authority in its sole discretion, to rescind this resolution and to elect not to issue such Bonds at some future date.

Section 3. Obligation of Sponsor. If the plan proceeds as contemplated, the Sponsor agrees as follows:

(a) to make its Project available for occupancy by persons in the Beneficiary Classes for such period and subject to such conditions as the Authority may determine;

(b) to provide such security for any of its obligations or mortgages to the Authority, or of the obligations of any other person to the Authority, as the Authority may, in its sole discretion request which such security may include federal mortgage insurance or federal agreements to make payments adequate to pay amounts due by such Sponsor or such other person;

(c) to enter into a mortgage loan agreement with respect to its Project on such terms and conditions as the Authority may deem necessary or desirable;

(d) to pay all costs and expenses incurred by the Authority, including its reasonable counsel fees, in furtherance of the undertakings of the Authority hereunder, regardless of whether any bonds or notes are issued with respect to its Project;

(e) to provide the Authority with such information and material with respect to its Project, including financial statements and information, reports, tests, surveys, appraisals, plans, specifications, drawings, occupancy rates or rent rolls, studies or feasibility studies, legal opinions, descriptions, and access for inspection of its Project or any other such items as may be requested by the Authority; and

(f) to enter into such agreements including such disclosure agreements as may be required to meet the requirements of S.E.C. Rule 15c2-12(b)(5), execute such documents and

provide such proofs or evidence as the Authority may, in its sole discretion, request in connection with its undertakings hereunder.

Section 4. Termination. The Authority or the Sponsor may elect not to proceed with the financing. The Authority shall not be obligated hereby to the Sponsor or any other person by virtue of the adoption of this resolution. Neither the Sponsor nor any other person shall have any rights hereunder and the Authority shall not be liable in any way to the Sponsor or any other person for any decision it makes not to proceed hereunder regardless of any action taken by the Sponsor or such other person whether known or unknown to the Authority.

Section 5. Sale of Bonds; Purchase Contract. The Chairman or Vice-Chairman and the Executive Director of the Authority are hereby authorized to sell any or all series of the Bonds to Stiffel, Nicolaus & Company, Incorporated or such other investment bank or institutional purchaser as designated by the Sponsor and approved by the Executive Director (the "Purchaser") pursuant to the terms and conditions of a Purchase Contract in substantially the form heretofore employed by the Authority in connection with the sale of its bonds. The authority hereby conferred may be exercised as long as the interest rate of the Bonds does not cause the interest rate on the Mortgage Loan to exceed three and 00/100 per cent (3.00%) per annum and (a) if there is a public distribution of the Bonds, the issue must be rated by one or more of the national rating agencies and one or more of the following conditions must be met: (i) that there is in effect a federal program providing assistance in the payment of such loans made by the Authority; (ii) the proceeds must be used to acquire either federally insured mortgages or mortgages insured by a private mortgage insurance company authorized to do business in the State of South Carolina; or (iii) the payment of the Bonds to the purchasers of them must be assured by the maintenance of adequate reserves or insurance or a guaranty from a responsible entity which has been determined to be sufficient by the Authority and the SFAA; or (b) the Bonds are to be sold only to institutional investors for investment. The purchase price of the Bonds shall be determined by the Chairman or Vice-Chairman and the Executive Director but in no event shall be less than 95% of par plus accrued interest on the Bonds from their date to the date of delivery thereof.

Section 6. Mortgage Loans. The Executive Director of the Authority is hereby authorized to execute a Mortgage Purchase Agreement or a Loan Agreement in substantially the form employed previously for the purchase of mortgage loans as may be appropriate at such time as she deems desirable at or before the delivery of the Bonds. The Executive Director is hereby authorized to alter any terms in such Agreement or Mortgage Loans to the extent necessary or desirable so long as such modification does not significantly alter the obligations of the Authority thereunder.

Section 7. Preliminary and Final Official Statements. There is hereby authorized the distribution of preliminary and final official statements or other offering documents in connection with the sale of the Bonds. Said official statements shall be in substantially the form heretofore used in connection with the distribution of the Authority's multifamily revenue bonds and such changes, additions, deletions, or modifications as are consistent with the details of the Bonds or as are recommended by the Purchaser and accepted by bond counsel and the staff of the Authority. The Chairman or Vice-Chairman and the Executive Director of the Authority are hereby authorized and directed to take such action as they deem appropriate or as is requested of either of them in connection with the distribution of preliminary or final official statements. The Authority hereby delegates to the Executive Director the power to deem any such Official

Statement "Final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

Section 8. Petition to SFAA. The Executive Director and the General Counsel of the Authority are hereby authorized and directed to prepare and present to the SFAA (i) a petition under Section 1-11-530, Code of Laws of South Carolina 1976, as amended (the "Allocation Act"), for an allocation of private activity bond volume cap under the Allocation Act and Section 146 of the Internal Revenue Code of 1986, as amended (the "Code"), if necessary for the issuance of the Bonds as tax-exempt and (ii) a petition requesting approval of the Bonds by the SFAA as prescribed in Section 6 of the Act, which petitions (together, the "Petitions") shall, among other things, set for the pertinent provisions relating to the Bonds required by the Act or the Allocation Act, as the case may be.

The Chairman or Vice-Chairman and the Executive Director of the Authority are authorized and directed to prepare and present to the SFAA the request prescribed by Section 6 of the Act which shall, among other things, set forth the pertinent terms and provisions relating to the Bonds, determined as provided in this Resolution, and the outstanding bonds and notes of the Authority.

Section 9. Designation of Fiduciaries. The trustee, paying agent, and registrar under the trust indenture to be entered into with respect to the Bonds shall be a corporate trustee as requested by the Sponsor and approved by the Authority.

Section 10. General Authority. The Commissioners of the Authority and its appropriate officers, attorneys, agents, and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual, and complete performance of all the terms, covenants, and purposes contained in the Bonds and this Resolution, and each such Commissioner, officer, attorney, and employee is hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated thereby.

Section 11. Expiration. This resolution, if not renewed, will expire on a date which is twelve (12) months from the date of its adoption by the Bond Committee of the Authority.

Section 12. Miscellaneous. All orders and resolutions or any parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and upon its adoption by the Bond Committee of the Authority.

Section 13. Non-Transferable. This resolution may not be transferred by the Sponsor. No attempted sale or other transfer of this resolution shall be valid or binding upon the Authority.

Section 14. Official Action. It is the intention of the Authority that this resolution shall constitute an official action by the Authority evidencing its present intent within the meaning of the applicable regulations of the United States Department of the Treasury relating to the issuance of tax exempt bonds under the Internal Revenue Code of 1986, as amended.

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

I, the undersigned interim secretary of the South Carolina State Housing Finance and Development Authority (the "Authority"), do hereby certify that I am the duly qualified and acting Secretary to the Authority and as such further certify that attached hereto is a true and correct copy of the Resolution adopted by the Board of Commissioners of the Authority at a meeting duly called and held on the 23rd day of January, 2019, at which meeting a quorum was present and acting throughout, and that said Resolution has not been modified, amended, or repealed and is in full force and effect on the date hereof.

I further certify that due notice of a meeting of the Board, called to be held in Columbia, South Carolina at 10:00 a.m. on January 23, 2019, was given to all members prior to the meeting and that, in compliance with the Freedom of Information Act, public notice of and the agenda index for this meeting was posted at the times and places required by law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Authority this 23 day of January, 2019.

(SEAL)



**SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT AUTHORITY**

By:

Bonita Shropshire
Bonita Shropshire
Secretary

A RESOLUTION

GRANTING APPROVAL TO THE ISSUANCE BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS (NORTHSIDE APARTMENTS)

WHEREAS, the South Carolina State Housing Finance and Development Authority Act of 1977 (Title 31, Chapter 13 of the Code of Laws of South Carolina 1976, as amended) (the "Act") provides that, upon the approval of the State Fiscal Accountability Authority (the "SFAA"), the South Carolina State Housing Finance and Development Authority (the "Authority") may issue from time to time bonds or notes for the purpose of obtaining funds with which to make construction and permanent mortgage loans to housing sponsors who agree to and shall be required to provide for construction and/or rehabilitation of residential housing for rental by persons or families of either beneficiary class (as defined in the Act) (the "Beneficiary Class"); provided, however, that with respect to any particular issue of bonds or notes, one of the following conditions must be met: (a) if there is a public distribution of the bonds or notes, the issue must be rated by one or more of the national rating agencies, and one or more of the following conditions must be met: (i) there must be in effect a federal program providing assistance in repayment of such loans; or (ii) the proceeds must be used to acquire either federally insured mortgage loans or mortgage loans insured by a private mortgage insurer authorized to do business in the State of South Carolina; or (iii) the payment of the bonds or notes to the purchasers and holders of them must be assured by the maintenance of adequate reserves or insurance or a guaranty from a responsible entity which has been determined to be sufficient by the Authority and the SFAA; or (b) if the bonds or notes are secured by a mortgage or other security agreement and are offered and sold as a unit with such mortgage or other security agreement in transactions with banks, institutional buyers, or other nonregistered persons as provided in Section 35-1-202(11)(A) of the Code of Laws of South Carolina 1976, as amended, the documents pursuant to which the bonds or notes are issued must permit the Authority to avoid any default by it by completing an assignment of, or foregoing its rights with respect to, any collateral or security pledged to secure the bonds or notes; and

WHEREAS, the Authority has presented to the SFAA its Petition dated January 3, 2020 (the "Petition"), which, together with the schedules thereto attached, sets forth certain information with respect to the Authority's Multifamily Housing Revenue Bonds (Northside Apartments) in the principal amount not to exceed \$10,000,000 (the "Bonds"); and

WHEREAS, the following have been submitted with the Petition in response to the requirements of Section 31-13-220 of the Act, certain of which are pro forma schedules because the Bonds have not been priced or sold as of the date of this Resolution, to wit:

- (i) a pro forma (in lieu of final schedules) of the principal amount of the Bonds to be issued;
- (ii) a pro forma (in lieu of final schedules) of the maturity schedule of the Bonds to be issued;

- (iii) schedules showing the annual debt service requirements on all outstanding notes and bonds of the Housing Authority have previously been provided to the Office of the State Treasurer;
- (iv) schedules showing the amount and source of revenues available for the payment of the debt service requirements established by the schedule referenced in item (iii) have previously been provided to the Office of the State Treasurer;
- (v) the method to be employed in selling the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE FISCAL ACCOUNTABILITY AUTHORITY IN MEETING DULY ASSEMBLED:

Section 1. The SFAA hereby finds and determines that the funds estimated to be available for the repayment of the Authority's notes and bonds on a pro forma basis, including the Bonds, will be sufficient to provide for the payment of the principal and interest thereon. Conditional approval is hereby granted by the SFAA to the execution and delivery by the Authority of the Bonds in the principal amount not to exceed \$10,000,000.

Section 2. The approval of the SFAA is hereby conditioned on the following:

(a) Following the pricing or sale of the Bonds, but prior to closing and issuance of the Bonds, the approval of the State Treasurer of the interest rate or rates on the Bonds and of the form and substance of such documents as he deems necessary therefor;

(b) Following the pricing or sale of the Bonds, but prior to the closing and issuance of the Bonds, the Authority shall have provided to the State Treasurer, to the extent not previously provided, the information required to be submitted to the SFAA by the provisions of Section 31-13-220, to wit:

- (i) the final principal amount of the Bonds to be issued;
- (ii) the final maturity schedule of the Bonds to be issued;
- (iii) schedules showing the annual debt service requirements on all outstanding notes and bonds of the Authority;
- (iv) schedules showing the final amount and source of revenues available for the payment of the debt service requirements established by the schedule referenced in item (iii);
- (v) the method to be employed in selling the Bonds.

(c) Following the pricing or sale of the Bonds, but prior to the closing and issuance of the Bonds, the State Treasurer shall find and determine, based solely on his review of the documents described in clauses (i) through (v) above, that the funds estimated to be available for the repayment of the Authority's notes and bonds, including the Bond, will be sufficient to provide for the payment of the principal and interest thereon;

(d) The documents pursuant to which the Bonds are being issued shall provide that all expenses, costs, and fees of the Authority in connection with the issuance of the Bonds,

including legal fees, printing, and all disbursements shall be paid by the Housing Sponsor (as defined in the Petition); and

(e) The final approval by the Governor as the elected official of the State of South Carolina for purposes of Section 142(f) of the Internal Revenue Code of 1986, as amended.

Section 3. This Resolution shall take effect immediately upon its adoption.

[FORM OF BOND COUNSEL OPINION]

_____, 2020

Board of Commissioners
South Carolina State Housing
Finance and Development Authority
Columbia, South Carolina

Re: Not exceeding \$10,000,000 South Carolina State Housing Finance and
Development Authority Multifamily Housing Revenue Bonds (Northside
Apartments), Series 2020

Ladies and Gentlemen:

As bond counsel to Partans, LLC, a South Carolina limited liability company (the "Housing Sponsor"), we have examined a certified copy of the Transcript of Proceedings and other proofs submitted to us, including the Constitution and Statutes of the State of South Carolina, in relation to the issuance by the South Carolina State Housing Finance and Development Authority (the "Issuer") of its \$10,000,000 Multifamily Housing Revenue Bonds (Northside Apartments), Series 2020 (the "Bonds"). The Bonds are issued pursuant to the provisions of (i) Title 31, Chapter 13 of the Code of Laws of South Carolina 1976, as amended (the "Act"), (ii) a Funding Loan Agreement, dated as of _____, 2020 (the "Loan Agreement"), among the Issuer, Cedar Rapids Bank & Trust, as lender, and the Housing Sponsor, and (iii) a resolution (the "Resolution") adopted by the Board of Commissioners of the Issuer authorising the issuance and sale of the Bonds. Pursuant to the Loan Agreement, the Issuer will make a mortgage loan (the "Mortgage Loan") to the Housing Sponsor to be used to provide construction and permanent financing for the acquisition and construction of a multifamily rental housing development (the "Project") described in the Loan Agreement. Under the Loan Agreement, the Housing Sponsor has agreed to make the payments to or on behalf of the Issuer sufficient to pay, in the aggregate, the principal of, premium, if any, and interest on the Bonds, as well as other payments, property, and revenues pledged to the payment thereof under the Indenture (collectively, the "Trust Estate").

The Project is subject to an Agreement as to Restrictive Covenants, dated as of _____, 2020 (the "Regulatory Agreement"), between the Housing Sponsor and the Issuer, and the Federal Tax Agreement and Non-Arbitrage Certificate, dated the date hereof (the "Tax

Agreement”), between the Housing Sponsor and the Issuer. The Loan Agreement, the Regulatory Agreement, and the Tax Agreement contain covenants that include requirements regarding the application and investment of the proceeds of the sale of the Bonds, the use and occupancy of the residential units of the Project, and the rebate of certain investment proceeds to the United States government.

With respect to the power of the Housing Sponsor to enter into and perform its obligations under the Loan Agreement and the other documents to which it is party, the due authorisation, execution, and delivery of the Loan Agreement and the other documents by the Housing Sponsor, and the validity and enforceability thereof against the Housing Sponsor, we refer you to the opinion of _____ as counsel to the Housing Sponsor of even date herewith addressed to you.

As to questions of fact material to our opinion, we have relied upon representations of and compliance with covenants by the Housing Sponsor and the Issuer contained in the Loan Agreement, the Regulatory Agreement, the Tax Agreement, certificates of public officials furnished to us, and certificates of representatives of the Housing Sponsor, the Issuer, and other parties, in each case, without undertaking any independent verification, although nothing has come to our attention to lead us to believe we are not justified in so relying. We have assumed that all signatures on documents, certificates, and instruments examined by us are genuine; all documents, certificates, and instruments submitted to us as originals are authentic; and all documents, certificates, and instruments submitted to us as copies conform to the originals. In addition, we have assumed that all documents, certificates, and instruments relating to this financing have been duly authorised, executed, and delivered by all parties thereto other than the Issuer, and we have further assumed the due organisation, existence, and powers of such other parties other than the Issuer.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of any offering material relating to the Bonds and we express no opinion relating thereto.

Based on the foregoing, as of the date hereof we are of the opinion, under existing law, as follows:

1. The Issuer is validly existing as a body corporate and politic of the State of South Carolina with the corporate power to enter into and perform its obligations under the Loan Agreement and the Indenture and to issue the Bonds.

2. The Loan Agreement has been duly authorised, executed, and delivered by the Issuer, and (assuming due authorisation, execution, and delivery thereof by the other parties thereto) is the valid and binding agreement of the Issuer enforceable against the Issuer in accordance with its terms.

3. The Resolution has been duly adopted and the Bonds have been duly authorised and executed by the Issuer, and are valid and binding limited obligations of the Issuer, payable solely from the Trust Estate. The Bonds are not general obligations or an indebtedness of the Issuer within the meaning of any constitutional or statutory limitation, and do not constitute or give rise to a pecuniary liability of the Issuer or a charge against its general credit, but are payable solely from the Trust Estate.

4. Interest on the Bonds is exempt from South Carolina income taxation; and (a) interest on the Bonds is excludable from gross income for federal income tax purposes, except for interest on any Bond for any period during which such Bond is held by a "substantial user" of the facilities financed by the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code") and (b) is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations. Furthermore, it should be noted that Section 12-11-20 of the Code of Laws of South Carolina 1976, as amended, imposes upon every bank engaged in business in South Carolina a fee or franchise tax computed on the entire net income of such bank, which includes interest on the Bonds. The opinion set forth in this paragraph is subject to the condition that the Issuer and the Housing Sponsor comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal and South Carolina income tax purposes. Failure to comply with certain of the requirements could cause the interest on the Bonds to be so included in gross income retroactively to the date of issuance of the Bonds. The Issuer and the Housing Sponsor have covenanted to comply with all such requirements.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Loan Agreement are limited by bankruptcy, insolvency, reorganisation, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity. Certain indemnity provisions may be unenforceable pursuant to court decisions invalidating such indemnity agreements on grounds of public policy.

We express no opinion regarding the perfection or priority of the lien on the Trust Estate under the Indenture.

Except as expressly stated above, we express no opinion regarding any other federal or state income tax consequences of acquiring, carrying, owning, or disposing of the Bonds. Owners of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds, which may include original issue premium, purchase at market discount or at a premium, taxation upon sale, redemption, or other disposition, and various withholding requirements.

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.

Our services as Bond Counsel have been limited to rendering the foregoing opinions based on our review of such legal proceedings as we deem necessary to make the statements contained in this letter with respect to the validity of the Bonds and the tax-exempt status of the interest on the Bonds. We have not examined any documents or other information concerning the business or financial resources of the Issuer or the Housing Sponsor, and we express no opinion as to the accuracy or completeness of any information with respect to the Issuer or the Housing Sponsor that may have been relied upon by the purchaser of the Bonds in making its decision to purchase the Bonds.

We have examined the executed Bond R-1 of the issue and, in our opinion, it is in due form of law.

Very truly yours,



OFFICE OF STATE TREASURER

New Debt Information Form (NDIF) - Initial Form

SFAA Approval Date: 02/04/20

Final Version Date: 00/00/00

1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: _____ Issuer: South Carolina State Housing Finance & Development Authority Series: 2020
 Borrower (if not Issuer): Partans, LLC
 Bond Caption: Multifamily Housing Revenue Bonds
 Bond Resolution Amount: \$10,000,000.00 Est. Production/Par Amt: \$8,600,000.00

(* Used to calculate initial COI percentages; STO bond issues must use Par Amt *)

Final Production/Par Amt: \$8,600,000.00

Submitted By:

ENTITY: Partans, LLC
 BY: SCG Development Partners, LLC
 ITS: Developer
 Tel: 703-942-6610 ext. 211
 Email: RMB@SCGDevelopment.com

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): N

MSRB (EMMA) Continuing Disclosure Responsible Party: N/A

2. FINANCING (NEW PORTION)

Project #: _____ Project Name: 500 Northside Station (previously known as Northside Apartments)
 Project Address/Location: 500 Howard Street, Spartanburg, SC 29303 Amount: \$8,600,000.00
 Project Type: Multifamily Residential County: Spartanburg
 Projected Avg Interest Rate: TBD Final Maturity: 04/01/60

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)
N/A		\$			\$	
		\$			\$	
		\$			\$	
Total		\$	*****	*****	\$	

4. FINANCING WORKING GROUP

Financial Advisor: _____ Disclosure Counsel: _____
 Bond Counsel: Howell Linkous & Nettles, LLC Issuer's Counsel: Tracey Easton, Esq.
 Underwriter: _____ Trustee: _____
 Paying Agent: _____ Other: Cedar Rapids Bank & Trust (Lender)

5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

500 Northside Station will be a newly constructed 90-unit multifamily apartment complex located in Spartanburg, SC. The total development costs of the project are anticipated to total approximately \$17,200,000, based on proposals and construction cost bids from third party contractors and the development team. Included in this document is a source and use analysis that details the project's anticipated costs.

6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals	Notes:
Issuer/Borrower Approval: 01/23/19	
JBRC Approval: 00/00/00	N/A
SFAA Approval: 02/04/20	

Project Approvals - Phase II (State Entities Only)	Notes:
Issuer/Borrower Approval: 00/00/00	
JBRC Approval: 00/00/00	
SFAA Approval: 00/00/00	

7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

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) Yes No
☐ ☒
 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. Sq. Footage -
Cost Estimate -

Est. Expenditures - Through 6 Months
 Est. Expenditures - Through 12 Months
 Est. Expenditures - Through 18 Months
 Est. Expenditures - Through 24 Months
 Est. Expenditures - Through 36 Months
 Est. Expenditures - Through 48 Months
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 7,000,000.00	10/1/2020	Construction Costs
\$ 1,600,000.00	4/1/2020	Construction Costs
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$ 8,600,000.00		

8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 8,600,000.00	\$ 8,000,000.00	Project Fund
(b) Premium/Accr. Int.	\$	\$ 600,000.00	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$	\$ 3,550,000.00	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 291,500.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$	Accrued Interest
Type -	\$ 7,011,296.00	\$ 3,969,160.00	Hard Construction (above project fund)
Residual Project Sources		\$ 3,777,710.00	Soft Costs
(6) Other		\$ 361,630.00	Reserves
(a) LIHTC Equity	\$ 5,238,704.00	\$ 300,000.00	Land
(b)	\$	\$	Other
(c)	\$	\$	Other
Total Project Sources	\$ 20,850,000.00	\$ 20,850,000.00	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				\$	\$	\$
Bond Counsel	Howell Linkous & Nettles			\$ 75,000.00	\$	\$ 75,000.00
Disclosure Counsel				\$	\$	\$
Issuer's Counsel				\$	\$	\$
Underwriter's Counsel						\$
Transaction Counsel				\$	\$	\$
Legal Expenses				\$ 6,000.00	\$	\$ 6,000.00
Lender's Counsel				\$ 25,000.00	\$	\$ 25,000.00
Rating Agency - S&P					\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation					\$	\$
Registrar / Paying Agent				\$	\$	\$
Escrow Agent				\$	\$	\$
Accountant				\$	\$	\$
Verification Agent				\$ 2,000.00	\$	\$ 2,000.00
Printing				\$	\$	\$
Publishing				\$ 1,500.00	\$	\$ 1,500.00
Advertising				\$	\$	\$
Contingency				\$	\$	\$
Issuer's Fee	SC JEDA / SC SHFDA			\$ 182,000.00	\$	\$ 182,000.00
				\$ 291,500.00	\$	\$ 291,500.00

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction

Bond Counsel: % of Transaction

Total Legal Costs: % of Transaction

Rating Agencies: % of Transaction

0.00%	0.00%
0.87%	0.00%
1.23%	0.00%
0.00%	0.00%

UW Comp: % of Transaction

Other COI: % of Transaction

Total COI: % of Transaction

0.00%	0.00%
2.16%	0.00%
3.39%	0.00%

AGENCY: Executive Director

SUBJECT: 2020 Ceiling Allocations

The initial balance of the 2020 state ceiling allocation is \$540,614,970. In accord with Code Section 1-11-520, \$216,245,988 (40% of the total) is designated as the state pool and \$324,368,982 (60% of the total) is designated as the local pool. There is presently a state ceiling balance of \$540,614,970 remaining for 2020. Allocation requests for 2020 totaling \$60,000,000 have been received thus far.

The recommendation from the Department of Commerce for allocations for this cycle totals \$60,000,000. The Department of Commerce makes the following recommendation for allocation from the local pool:

JEDA, The Heritage at Forest Acres Properties, LLC, (Richland County) \$60,000,000 (Financing includes (i) costs of acquiring, developing and constructing 40 rental independent living cottage 88 assisted living units and 42 memory care units for a senior housing community; (ii) working capital; (iii) a capitalized interest fund; (iv) a liquidity support fund; and (v) other costs of issuance);

Given that the allocation request is for more than \$10 million, bond counsel for the project has indicated that the project should be granted ceiling allocation prior to July 1, because the project "is of such significance that approval of the allocation is warranted" prior to July 1. Bond counsel's memo supporting the allocation is attached. (See also SC Code Section 1-11-54).

If the Authority approves the recommended request, this will leave an unexpended state ceiling balance of \$480,614,970 (state pool - \$216,245,988; local pool - \$264,368,982) to be allocated later in the calendar year.

Further, relating to requests for calendar year 2020 ceiling allocations, the Authority is also asked to authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

AUTHORITY ACTION REQUESTED:

1) In accord with Code Section 1-11-500 et seq. and upon the recommendation of the Department of Commerce, grant the following tentative ceiling allocation from the local pool:

JEDA, The Heritage at Forest Acres Properties, LLC, (Richland County) \$60,000,000

2) Authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

ATTACHMENTS:

2020 Ceiling Allocation Requests; Young 1/22/20 Memo; Witherspoon 1/3/20 memo Code Section 1-11-500 et seq.

2020 Ceiling Allocation Requests

	<i>Recd.</i>	<i>Issuing Authority</i>	<i>Project</i>	<i>Request</i>	<i>Cumulative</i>	<i>Bond Counsel</i>	<i>Request</i>		<i>Location</i>	<i>NOTES</i>
							<i>Alloc</i>	<i>St.Law</i>		
1	01/02/20	JEDA	The Heritage at Forest Acres Properties	60,000,000		Kimberly Witherspoon	x		Richland	

2020 South Carolina State Ceiling Allocations

Summary, CY 2019

2020 State Ceiling	540,614,970
Initial Allocations	60,000,000
Expired/Relinquished	0
Actual Allocations	60,000,000
Certified for Issue	0
Carried Forward	

Balance Available:	480,614,970
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Issuer	Name of Project	Allocation Amount	Expired/ Relinquished	Certified for Issue	Issue Date	Attorney
<u>Allocation: 2/4/20</u>	<u>Expiration: 5/4/20</u>					
JEDA	The Heritage at Forest Acres	60,000,000				Witherspoon

2020 South Carolina State Ceiling

Balance as of February 4, 2020, if ceiling allocation granted

State Pool (40%)	216,245,988
Total State Pool (40%)	<u>216,245,988</u>
Local Pool (60%)	324,368,982
Total Local Pool (60%)	<u>324,368,982</u>
Certified State Ceiling 2020	540,614,970

Date Allocated	Governmental Unit	Name of Project	Pool Total	Amount Allocated	Balance Available	Certified for Issue	Issue Date	Attorney
01/02/19	STATE POOL		216,245,988					
TOTAL, STATE POOL			<u>216,245,988</u>	<u>0</u>	<u>216,245,988</u>	<u>0</u>		
01/02/19	LOCAL POOL		324,368,982					
02/04/20	JEDA	The Heritage at Forest Acres		60,000,000				Witherspoon
TOTAL, LOCAL POOL			<u>324,368,982</u>	<u>60,000,000</u>	<u>264,368,982</u>	<u>0</u>		
GRAND TOTAL			<u>540,614,970</u>	<u>60,000,000</u>	<u>480,614,970</u>	<u>0</u>		



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

MEMORANDUM

To: Delbert Singleton

From: Daniel Young *DY*

Date: January 22, 2020

Re: February 4, Meeting

At the request of SC State Fiscal Accountability Authority, the South Carolina Department of Commerce evaluates allocation requests that pertain to economic development.

After reviewing information provided by Haynesworth Sinkler Boyd, P. A., regarding a senior housing project the Department of Commerce recommends approval of this project at December 10, 2019, meeting of the State Fiscal Accountability Authority.

Name	Requested Amount	Score	County
Heritage at Forest Acres	\$60,000,000	5	Richland

Please let me know if you have any questions.

Thank you.

MEMORANDUM

TO: Delbert Singleton
State Fiscal Accountability Authority

FROM: Kimberly Witherspoon

DATE: January 3, 2020

Re: State Ceiling Allocation for South Carolina Jobs-Economic Development Authority Senior Living Revenue Bonds (The Heritage at Forest Acres Project)

Pursuant to the provisions of South Carolina Code Annotated, Title 1, Chapter 11 (1976), as amended (the “*Act*”), the approval of the requested allocation is of such significance that approval of the allocation is warranted prior to July 1, 2020 for the following reasons.

The project had planned to close in December 2019, however due to year-end capital market holiday shutdowns the completion of the offering has now been pushed into 2020. All requisite elements are in place including executed construction contracts, and the building permit has been issued.

As the only remaining item, allocation under the Act has become critical path for the project at this time. To delay the project until July would put the borrower and the project at significant risk due to market volatility (election year), higher construction costs (contract pricing is valid through February 2020), higher interest rates, and existing committed institutional investor reallocation to other opportunities. The parties have expended substantial funds and need to complete the financing no later than February in order for the project to be able to begin construction in February 2020 and to open and be viable by June 2021. To delay the financing until July would severely jeopardize the project being located in South Carolina and leave many senior members of the community without a means to satisfy their needs for care and housing.

ARTICLE 3.

ALLOCATION OF STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

SECTION 1-11-500. Calculation and certification of state ceiling.

The state ceiling on the issuance of private activity bonds as defined in Section 146 of the Internal Revenue Code of 1986 (the Code) established in the act must be certified annually by the Budget and Control Board secretary based upon the provisions of the act. The board secretary shall make this certification as soon as practicable after the estimates of the population of the State of South Carolina to be used in the calculation are published by the United States Bureau of the Census but in no event later than February first of each calendar year.

SECTION 1-11-510. Allocation of bond limit amounts.

(A) The private activity bond limit for all issuing authorities must be allocated by the board in response to authorized requests as described in Section 1-11-530 by the issuing authorities.

(B) The aggregate private activity bond limit amount for all South Carolina issuing authorities is allocated initially to the State for further allocation within the limits prescribed herein.

(C) Except as is provided in Section 1-11-540, all allocations must be made by the board on a first-come, first-served basis, to be determined by the date and time sequence in which complete authorized requests are received by the board secretary.

SECTION 1-11-520. Private activity bond limits and pools.

(A) The private activity bond limit for all state government issuing authorities now or hereafter authorized to issue private activity bonds as defined in the act, to be known as the "state government pool", is forty percent of the state ceiling less any amount shifted to the local pool as described in subsection (B) of this section or plus any amount shifted from that pool.

(B) The private activity bond limit for all issuing authorities other than state government agencies, to be known as the "local pool", is sixty percent of the state ceiling plus any amount shifted from the state government pool or less any amount shifted to that pool.

(C) The board, with review and comment by the Joint Bond Review Committee, may shift unallocated amounts from one pool to the other at any time.

SECTION 1-11-530. Authorized requests for allocation of bond limit amounts.

(A) For private activity bonds proposed for issue by other than state government issuing authorities, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a copy of the Inducement Contract, Inducement Resolution, or other comparable preliminary approval entered into or adopted by the issuing authority, if any, relating to the bonds. The board shall forward promptly to the committee a copy of each petition received.

(B) For private activity bonds proposed for issue by any state government issuing authority, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a bond resolution or comparable action by the issuing authority authorizing the issuance of the bonds. The board shall forward promptly to the committee a copy of each petition received.

(C) Each authorized request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project.

SECTION 1-11-540. Limitations on allocations.

(A) The board, with review and comment by the committee, may disapprove, reduce, or defer any authorized request. If it becomes necessary to exercise this authority, the board and the committee shall take into account the public interest in promoting economic growth and job creation.

(B) Authorized requests for state ceiling allocations of more than ten million dollars for a single project are deferred until after July first unless the board, after review and comment by the committee, determines in any particular instance that the positive impact upon the State of approving an allocation of an amount greater than ten million dollars is of such significance that approval of the allocation is warranted.

SECTION 1-11-550. Certificates by issuing authority and by board.

(A) An allocation of the state ceiling approved by the board is made formal initially by a certificate which allocates tentatively a specific amount of the state ceiling to the bonds for which the allocation is requested. This tentative allocation certificate must specify the state ceiling amount allocated, the issuing authority and the project involved, and the time period during which the tentative allocation is valid. This certificate must remind the issuing authority that the tentative allocation is made final after the issuing authority chairman or other duly authorized official or agent of the issuing authority, before the issue is made, certifies the issue amount and the projected date of issue, as is required by subsection (B) of this section. It also may include other information considered relevant by the board secretary.

(B) The chairman or other authorized official or agent of an issuing authority issuing any private activity bond for which a portion of the state ceiling has been allocated tentatively shall execute and deliver to the board secretary an issue amount certificate setting forth the exact amount of bonds to be issued and the projected bond issue date which date must not be more than ten business days after the date of the issue amount certificate and it must be before the state ceiling allocation involved expires. The issue amount certificate may be an executed copy of the appropriate completed Internal Revenue Service form to be submitted to the Internal Revenue Service on the issue or it may be in the form of a letter which certifies the exact amount of bonds to be issued and the projected date of the issue.

(C) In response to the issuing authority's issue amount certificate required by subsection (B) of this section, the board secretary is authorized to issue and, as may be necessary, to revise a certificate making final the ceiling allocation approved previously by the board on a tentative basis, if the secretary determines that:

- (1) the issuing authority's issue amount certificate specifies an amount not in excess of the approved tentative ceiling allocation amount;
- (2) the issue amount certificate was received prior to the issue date projected and that the certificate is dated not more than ten days prior to the issue date projected;
- (3) the issue date projected is within the time period approved previously for the tentative ceiling allocation; and
- (4) the bonds when issued and combined with the total amount of bonds requiring a ceiling allocation included in issue amount certificates submitted previously to the board by issuing authorities do not exceed the state ceiling for the calendar year. Except under extraordinary circumstances, the board secretary shall issue this certificate within two business days following the date the issue amount certificate is received.

(D) In accordance with Section 149(e)(2)(F) of the Code, the secretary of the Budget and Control Board is designated as the state official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(E) Any tentative or final state ceiling allocation granted by the board before the effective date of this act remains valid as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. The allocations expire in accordance with the regulations under which they were granted or extended and their validity may be extended or reinstated in accordance with the provisions of Sections 1-11-500 through 1-11-570.

SECTION 1-11-560. Time limits on allocations.

(A) Any state ceiling allocation approved by the board is valid only for the calendar year in which it is approved, unless eligible and approved for carry-forward election or unless specified differently in the board certificates required by Section 1-11-550.

(B) Unless eligible and approved for carry-forward election or unless specified differently in board certificates required by Section 1-11-550, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the board.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one consecutive calendar days to a total of not more than one hundred twenty-one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the board may reinstate for a period of not more than thirty-one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 1-11-550 to the board secretary before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the board secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the board's records by the board secretary.

(G) Ceiling allocations which are eligible and approved for carry-forward election are not subject to the validity limits of this section. The board shall join with the issuing authorities involved in carry-forward election statements to meet the requirements of the Internal Revenue Service.

SECTION 1-11-570. Budget and Control Board to adopt policies and procedures.

The Budget and Control Board, after review and comment by the committee, may adopt the policies and procedures it considers necessary for the equitable and effective administration of Sections 1-11-500 through 1-11-570.

SECTION 1-11-580. Budget and Control Board to make quarterly payments on certain insurance contracts.

The Budget and Control Board shall make quarterly payments on insurance contracts where the annual premium exceeds fifty thousand dollars. The board shall undertake necessary negotiations to implement this requirement. Where fees may be incurred for quarterly rather than annual payments, the Budget and Control Board shall determine whether the investment income opportunity is greater or less than proposed fees and shall make the decision which best benefits South Carolina.

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF February 4, 2020

REGULAR SESSION
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 9:30 a.m. on Tuesday, March 24, 2020, in Room 252, Edgar A. Brown Building.

AUTHORITY ACTION REQUESTED:

Agree to meet at 9:30 a.m. on Tuesday, March 24, 2020, in Room 252, Edgar A. Brown Building.

ATTACHMENTS:

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

Meeting of Tuesday, February 4, 2020 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

REGULAR SESSION AGENDA INDEX

Item No.	Agency	Subject
A.	ADOPTION OF PROPOSED AGENDA	
B.	REGULAR SESSION	
1.	Tobacco Settlement Revenue Management Authority	Adoption of Budget
2.	Tobacco Settlement Revenue Management Authority	Financial Statement for the Fiscal Year Ended June 30, 2019
C.	ADJOURNMENT	

TOBACCO SETTLEMENT

REVENUE MANAGEMENT AUTHORITY

MEETING OF February 4, 2020

REGULAR SESSION

ITEM NUMBER 1

AGENCY: Office of the State Treasurer

SUBJECT: Adoption of Budget

In accord with South Carolina Code of Laws Section 11-49-60 (12), the Authority is asked to adopt the attached proposed fiscal year budget for the period July 1, 2020, through June 30, 2021, as submitted by the State Treasurer. The proposed budget is anticipated to cover, in part, expenses including, but is not limited to, professional services, payment of insurance premiums for members of the Authority Board, and other expenses related to the operation and administration of the Authority.

AUTHORITY ACTION REQUESTED:

Adopt the operating budget for the Authority's fiscal year budget for the period July 1, 2020, through June 30, 2021.

ATTACHMENTS:

Loftis 12/9/19 letter; Proposed Budget; Code Section 11-49-60 (12)



THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer

December 9, 2019

Mr. Delbert Singleton
Secretary, Tobacco Settlement
Revenue Management Authority
600 Wade Hampton State Office Building
Columbia, South Carolina 29201

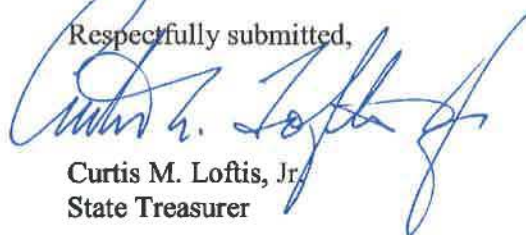
Re: Tobacco Settlement Revenue Management Authority
Annual Budget 2020-2021

Dear Delbert:

In accordance with South Carolina Code of Laws Section 11-49-60(12), I am pleased to submit herewith the annual budget proposed for the Tobacco Settlement Revenue Management Authority for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021.

Please place this item on the agenda for the Authority's meeting on February 4, 2020.

Respectfully submitted,

A handwritten signature in blue ink, which appears to read "Curtis M. Loftis, Jr.", is written over the typed name and title.

Curtis M. Loftis, Jr.
State Treasurer

Enclosure

Tobacco Settlement Revenue Management Authority
(A Component Unit of the State of South Carolina)

Operating Budget for the Budget Year Ending June 30, 2020

(Cash Basis)

	Fiscal Year 2019 / 2020		Expenditure Variance	Fiscal Year 2020 / 2021
	Budgeted	Adjusted @ 12/31/19	Budget / Adjusted Over / (Under)	Budget
Funds held By Tobacco Authority:				
Cash Balance, Beginning	\$ 5,224,825	\$ 5,221,825 ¹		\$ 5,192,045 ⁶
Revenue:				
Tobacco settlement revenue	<u>71,000,000</u>	<u>75,000,000</u> ²		<u>70,000,000</u>
Total Cash Available	76,224,825	80,221,825		75,192,045
Expenditures				
Administrative and operating expense				
Professional fees and expenses				
Audit and accounting	16,000	13,200 ³	(2,800)	16,000
Arbitrage, deallocation and disclosure	16,000	13,000	(3,000)	16,000
Insurance				
Tort insurance for authority members	2,865	3,580 ³	715	4,473 ⁷
General operating				
Contingency				
Distributions per Proviso				
Attorney General	1,253,000	1,253,000 ⁴		1,253,000
South Carolina Law enforcement Division	450,000	450,000 ⁴		450,000
Department of Revenue	325,000	325,000 ⁴		325,000
Department of Health and Human Services	<u>68,972,000</u>	<u>72,972,000</u> ⁵		<u>67,972,000</u>
Total Cash Disbursements	<u>71,034,865</u>	<u>75,029,780</u>	\$ (5,085)	<u>70,036,473</u>
Cash Balance, Ending	\$ <u>5,189,960</u>	\$ <u>5,192,045</u> ⁶		\$ <u>5,155,572</u>

Notes and Assumptions as of December 31, 2019.

- 1 Ending cash balance retained by TSRMA at June 30, 2019.
- 2 Currently Estimated TSRMA Revenues to be received Spring 2020.
- 3 Actual Expenditure as of December 31, 2019.
- 4 TSRMA Revenue to be distributed per Proviso 118.11.
- 5 Estimated remainder revenue to be distributed Spring 2020 per Proviso 118.11.
- 6 Estimated cash balance to be retained by TSRMA at June 30, 2020.
- 7 Estimated 25% increase based on year over year comparison of Budget vs. Actual.

TOBACCO SETTLEMENT REVENUE

MANAGEMENT AUTHORITY

REGULAR SESSION

MEETING OF February 4, 2020

ITEM NUMBER 2

AGENCY: Tobacco Settlement Revenue Management Authority

SUBJECT: Financial Statement for the Fiscal Year Ended June 30, 2019

South Carolina Code of Laws Section 11-49-100 requires that the Tobacco Settlement Revenue Management Authority “keep an accurate account of all of its activities and all of its receipts and expenditures and annually, in the month of January shall make a report of its activities to the [State Fiscal Accountability Authority], the report to be in a form prescribed by the [State Fiscal Accountability Authority].” The Authority is asked to approve the submittal of its Financial Statement to the State Fiscal Accountability Authority in accord with Section 11-49-100.

AUTHORITY ACTION REQUESTED:

In accord with Code Section 11-49-100, receive as information the Tobacco Settlement Revenue Management Authority’s Financial Statement for the Fiscal Year Ended June 30, 2019, and approve the submittal of the Financial Statement to the State Fiscal Accountability Authority.

ATTACHMENTS:

Loftis 12/9/19 letter with attachment; Code Section 11-49-100



THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer

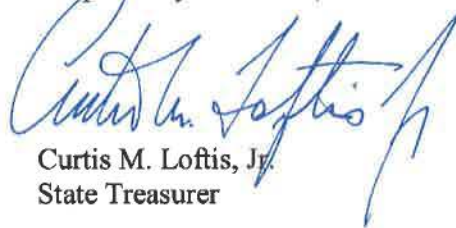
December 9, 2019

To the members of the Tobacco Settlement Revenue Management Authority and
The State Fiscal Accountability Authority

In accordance with S.C. Code Section 11-49-100, which requires that the Tobacco Settlement Revenue Management Authority provide an annual report of its activities to the State Fiscal Accountability Authority (then State Budget and Control Board) during the month of January, I am providing copies of the Authority's audited financial statements for the fiscal year ended June 30, 2019. Management's Discussion and Analysis and the Notes to Financial Statements contained therein describe the Authority's activities in all material respects.

I have asked Mr. Singleton to place this item on the agenda for the Authority's meeting on February 4, 2019.

Respectfully submitted,

A handwritten signature in blue ink, reading "Curtis M. Loftis, Jr.", is positioned above the printed name and title.

Curtis M. Loftis, Jr.
State Treasurer

Enclosure

TOBACCO SETTLEMENT REVENUE
MANAGEMENT AUTHORITY
(A Component Unit of the State of South Carolina)

Financial Statements
June 30, 2019
(With Independent Auditor's Report Thereon)



SOUTH CAROLINA OFFICE OF THE STATE AUDITOR
1401 Main Street, Suite 1200 • Columbia, SC 29201

October 4, 2019

Members of the Tobacco Settlement Revenue
Management Authority
Columbia, South Carolina

This report on the audit of the financial statements of the Tobacco Settlement Revenue Management Authority for the fiscal year ended June 30, 2019, was issued by The Hobbs Group, P.A., Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

George L. Kennedy, III, CPA
State Auditor

GLK/sag

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY
(A Component Unit of the State of South Carolina)

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INDEPENDENT AUDITORS' REPORT

Mr. George L. Kennedy, III, CPA
State Auditor
Office of the State Auditor
Columbia, South Carolina

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of South Carolina Tobacco Settlement Revenue Management Authority (the "Authority"), a component unit of the State of South Carolina as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2019, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 7 and 20 through 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2019 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Columbia, South Carolina
October 4, 2019

The Heller Group, P.A.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

Management's Discussion and Analysis (unaudited)

June 30, 2019

This section of the annual financial report of the Tobacco Settlement Revenue Management Authority (the "Authority") presents the analysis of the Authority's financial performance during the fiscal year that ended on June 30, 2019. Please read it in conjunction with the financial statements and their accompanying notes, which follow this section.

The Authority

The Authority was created by Act No. 387 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina (the "General Assembly"), Regular Session of 2000, as codified at Section 11-49-10 of the South Carolina Code of Laws 1976, as amended (the "Act"), as an instrumentality of the State of South Carolina (the "State"). The Act created the Authority to receive all of the State's payments under the Master Settlement Agreement (the "MSA"). The MSA was entered into on November 23, 1998, among the attorneys general of 46 states (including South Carolina), the District of Columbia, the Commonwealth of Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Commonwealth of the Northern Mariana Islands (collectively the "Settling States") and the four largest United States tobacco manufacturers: Philip Morris Incorporated, R. J. Reynolds Tobacco Company, Brown & Williamson Tobacco Corporation, and Lorillard Tobacco Company (collectively the "Original Participating Manufacturers" or "OPMs"). The MSA resolved cigarette smoking-related litigation among the Settling States and the OPMs, released the OPMs from past and present smoking-related claims by the Settling States, and provides for a continuing release of future smoking-related claims in exchange for certain payments to be made to the Settling States. The MSA also provides for the imposition of certain tobacco advertising and marketing restrictions, among other things. The Authority is not a party to the MSA.

The State is entitled to certain periodic payments made under the MSA. Pursuant to the Act, the Authority has been assigned all Tobacco Settlement Receipts ("TSRs"), which are the State's right, title and interest in payments due after June 30, 2001 under the MSA. The assignment of the TSRs is irrevocable during any time when bonds are outstanding, plus one year and one day thereafter, and is a part of the contractual obligation owed to the Authority's bondholders.

Overview of the Financial Statements

This analysis is intended to serve as an introduction to the Authority's financial statements. The Authority's financial statements consist of three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to the financial statements.

- *The Statement of Net Position and Governmental Fund Balance Sheet* include all of the Authority's assets and liabilities and provide information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). They also provide the basis for computing rate of return, evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority. The *Statement of Net Position* reports information about the Authority using accounting methods similar to those used by private sector companies and presents all assets and liabilities of the Authority – both current and long-term. The *Governmental Fund Balance Sheet* of the General Fund focuses only on the Authority's resources available for expenditure at the end of the fiscal year.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

Management's Discussion and Analysis (unaudited)

June 30, 2019

- All the current year's activity is accounted for in the *Statement of Activities* and *Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance*. These statements measure the success of the Authority's operations over the past year and can be used to determine the Authority's credit-worthiness and ability to meet its financial objectives. The *Statement of Activities* presents information on how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. The *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance* focuses only on the Authority's near-term inflows and outflows of resources available for expenditure for the fiscal year.

Summary of Financial Results

The Authority's financial results are summarized, discussed and compared to the prior fiscal year in the sections following.

Government-Wide Financial Statements

Statement of Net Position. The following table summarizes the Authority's Net Position for the period ending June 30, 2019, along with comparative data for the prior fiscal year.

	June 30, 2019	June 30, 2018	Difference	%
Assets				
Cash and cash equivalents	\$ 41,991,953	\$ 5,240,890	\$ 36,751,063	701.2%
Tobacco settlement payments receivable	37,500,000	35,000,000	2,500,000	5.6%
Total assets	79,491,953	40,240,890	39,251,063	95.1%
Liabilities				
Due to Health and Human Services	36,770,129	-	36,770,129	100.0%
Total liabilities	36,770,129	-	36,770,129	100.0%
Net position				
Restricted by statute	37,500,000	35,000,000	2,500,000	5.6%
Unrestricted	5,221,824	5,240,890	(19,066)	-0.4%
Total net position	\$ 42,721,824	\$ 40,240,890	\$ 2,480,934	4.9%

The Authority's assets include cash and cash equivalents, and accrued earnings on those cash and cash equivalents. Certain of the Authority's assets are classified as restricted by statute because they are subject to external legal constraint for appropriation by the State in accordance with the expenditure provisions of Section 11-11-170 of the South Carolina Code of Laws 1976, as amended (the "Expenditure Act"). The remaining assets are held by the Authority to pay its authorized operating expenses.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

Management's Discussion and Analysis (unaudited)

June 30, 2019

The Authority's cash and cash equivalents increased 701.2% over the course of the fiscal year. This increase is due the Authority holding funds due to the South Carolina Department of Health and Human Services ("HHS") per State proviso, at HHS' request. The Authority held \$36,770,129 of cash due to HHS, which is also the cause of the new liability as of June 30, 2019, "Due to Health and Human Services." Tobacco settlement payments receivable increased by \$2,000,000, or 5.6%, due to an increase in anticipated payments during fiscal year 2020. Total assets increased 95.1% reflecting these same factors.

Net position restricted by statute is comprised of that portion of TSRs forecasted to be earned in the current fiscal year but received in the ensuing fiscal year. The amount of TSRs is dependent on many factors including future tobacco consumption, certain adjustments, and the financial capability of the OPMs and consequently, except as noted above, do not meet asset recognition criteria under accounting principles generally accepted in the United States of America ("GAAP").

Statement of Activities. The following table summarizes the Authority's activities for the period ending June 30, 2019 with comparative amounts for the prior fiscal year.

	June 30, 2019	June 30, 2018	Difference	%
General revenues				
Tobacco settlement revenues	\$ 80,723,032	\$ 81,604,834	\$ (881,802)	-1.1%
Investment earnings	85,096	-	85,096	100.0%
Total general revenues	80,808,128	81,604,834	(796,706)	-1.0%
Expenses				
General government	2,057,065	2,069,690	(12,625)	-0.6%
Total expenses	2,057,065	2,056,490	(12,625)	-0.6%
Excess of general revenues over expenses before transfers	78,751,063	79,535,114	(784,081)	-2.9%
Transfers				
Transfers to state funds and programs pursuant to proviso	(76,770,129)	(79,076,834)	(2,306,705)	-2.9%
Total transfers	(76,770,129)	(79,076,834)	(2,306,705)	-2.9%
Change in net position	1,980,934	458,310	1,522,624	332.2%
Net position - beginning of year	40,740,890	40,282,580	458,310	1.1%
Net position - end of year	\$ 42,721,824	\$ 40,740,890	\$ 1,980,934	4.86%

General revenues of approximately \$80.8 million reflect the receipt of and accrual for TSRs and investment earnings. Revenues decreased year over year by approximately \$800,000 or 1.1% which represent decrease in tobacco settlement payments that have been received by the Authority for the year ended June 30, 2019 partially offset by a \$2,000,000 increase in the amount of estimated tobacco settlement payments receivable which will be collected in April 2020. These payments are dependent on remittances received by the State under the MSA each year. In addition, investment earnings of \$85,096 were earned during the year ended June 30, 2019 due to the funds held, and due to HHS, as discussed previously.

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Management's Discussion and Analysis (unaudited)

June 30, 2019

The Authority's expenses primarily consisted of its administrative expenses and directed transfers to other state agencies for diligent enforcement. Total expenses decreased minimally by approximately \$12,625. Transfers to the state fund decreased by approximately \$2,306,705, as a result of the decrease in tobacco settlement payments received during the year ended June 30, 2019 which are subsequently transferred to State funds and programs.

Governmental Funds

As of the end of the current fiscal year, the ending fund balance in the Authority's governmental fund was approximately \$42,721,000 million, an increase of approximately \$1,980,000 by comparison to the prior fiscal year due to an increase in receipt of TSRs. Of the total fund balance, \$37,500,000 is restricted for statutory expenditures. The factors contributing to the change in fund balance year over year are the same as those described above in the discussion and analysis of the government-wide financial statements.

Long-Term Debt Activity

On March 22, 2001, the Authority issued \$934,530,000 aggregate principal amount of Tobacco Settlement Asset-Backed Bonds (the "Series 2001 Bonds") pursuant to an indenture between the Authority and United States Trust Company of New York (subsequently acquired by the Bank of New York), as trustee, dated as of March 1, 2001, and the Tobacco Settlement Revenue Management Authority Act. On June 26, 2008, the Authority defeased the Series 2001 Bonds with certain cash funds and proceeds of \$275,730,000 Tobacco Settlement Revenue Management Authority Tobacco Settlement Revenue Asset-Backed Refunding Bonds, Series 2008 (the "Series 2008 Bonds") issued pursuant to an indenture between The Bank of New York Trust Company, N.A., as trustee, and the Tobacco Settlement Revenue Management Authority. All of the Series 2001 Bonds are deemed paid within the meaning of and with the effect expressed in, and accordingly are no longer outstanding under, the Trust Indenture.

The Series 2008 Bonds were scheduled to retire in ordinary course on June 1, 2018; however, under early redemption provisions ("Turbo Redemptions"), any MSA payments exceeding annual debt service requirements of the Series 2008 Bonds were applied to early redemption of principal. On June 1, 2012, the Authority had sufficient funds to redeem as Turbo Redemptions the entire principal amount of the Series 2008 Bonds then outstanding; accordingly, all of the Authority's debt has been fully discharged.

The Authority has no present plans to undertake the issuance of additional debt.

Budgetary Highlights

The Authority annually adopts an operating budget as required by its by-laws. From a budgetary perspective, the Authority realized a \$56,031 excess of revenues over expenditures during the fiscal year ended June 30, 2019 which arose due to factors described in the Summary of Financial Results contained herein. The difference between the budgetary excess, as compared to the excess reported on the Statement of Activities, is due to the lack of recognition of the \$2,000,000 increase in tobacco settlement payments receivable under the budgetary basis of accounting.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

Management's Discussion and Analysis (unaudited)

June 30, 2019

Economic Factors and Outlook

As noted above, the amount of TSRs is dependent on many factors including future tobacco consumption, certain adjustments, and the financial capability of the OPMs; accordingly, the amount of future TSRs, and particularly the financial effects of the Disputed Payments Settlement thereon, cannot be presently determined with precision. Since all of the Authority's debt has been fully discharged and the Authority has no present plans to undertake the issuance of additional indebtedness, the effects of these factors on the Authority's debt profile have been abated. The Authority's continuing responsibility thereafter is limited to the receipt and distribution of future TSRs as prescribed by law.

Contacting the Authority

Persons needing additional information concerning this report or otherwise needing to contact the Authority should address requests to:

SC Office of the Treasurer
1200 Senate Street, Suite 214
Wade Hampton Office Building
Columbia, SC 29201

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY
(A Component Unit of the State of South Carolina)

Statement of Net Position

June 30, 2019

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 41,991,953
Tobacco settlement payments receivable	37,500,000
Total assets	<u>79,491,953</u>
Liabilities	
Due to Health and Human Services	<u>36,770,129</u>
Total liabilities	<u>36,770,129</u>
Net position	
Restricted by statute	37,500,000
Unrestricted	5,221,824
Total net position	<u>\$ 42,721,824</u>

The Notes to Financial Statements are an integral part of this statement.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY
(A Component Unit of the State of South Carolina)

Statement of Activities

June 30, 2019

	Governmental Activities
Program expenses	
General government	\$ 2,057,065
Total expenses	<u>2,057,065</u>
Net program expense	<u>2,057,065</u>
General revenues	
Tobacco settlement revenues	80,723,032
Investment earnings	<u>85,096</u>
Total general revenues	<u>80,808,128</u>
Change in net position before transfers	78,751,063
Transfers	<u>(76,770,129)</u>
Transfers to state funds and programs pursuant to proviso	<u>(76,770,129)</u>
Change in net position	1,980,934
Net position	
Beginning of the year	<u>40,740,890</u>
End of the year	<u>\$ 42,721,824</u>

The Notes to Financial Statements are an integral part of this statement.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY
(A Component Unit of the State of South Carolina)
Governmental Fund Balance Sheet
June 30, 2019

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 41,991,953
Tobacco settlement payments receivable	<u>37,500,000</u>
Total assets	<u>79,491,953</u>
Liabilities	
Due to Health and Human Services	<u>36,770,129</u>
Total liabilities	<u>36,770,129</u>
Fund balance	
Restricted by statute	37,500,000
Committed to operating expense	<u>5,221,824</u>
Total fund balance	<u>42,721,824</u>
Total liabilities and fund balance	<u>\$ 79,491,953</u>

The Notes to Financial Statements are an integral part of this statement.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

**Governmental Fund Statement of
Revenues, Expenditures and Changes in Fund Balance**

June 30, 2019

	<u>General Fund</u>
Expenditures	
General government	\$ 2,057,065
Total expenditures	<u>2,057,065</u>
Revenues	
Tobacco settlement revenues	80,723,032
Investment earnings	85,096
Total revenues	<u>80,808,128</u>
Excess of revenues over expenditures before transfers	78,751,063
Transfers	
Transfers to state funds and programs pursuant to proviso	<u>(76,770,129)</u>
Total transfers	<u>(76,770,129)</u>
Net change in fund balance	1,980,934
Fund balance	
Beginning of the year	40,740,890
End of the year	<u>\$ 42,721,824</u>

The Notes to Financial Statements are an integral part of this statement.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

Notes to Financial Statements

June 30, 2019

(1) Reporting Entity

The Tobacco Settlement Revenue Management Authority (the "Authority") is a public body and an instrumentality of the State of South Carolina (the "State") established in 2001 pursuant to Section 11-49-10 et seq. of the South Carolina Code of Laws 1976, as amended. The State transferred to the Authority all of its rights and interests under the Master Settlement Agreement (the "MSA") and the Consent Decree and Final Judgment (the "Decree") between all participating States and the participating Tobacco manufacturers. These rights include the State's share of all Tobacco Settlement revenue received after June 30, 2001 and in perpetuity to be received under the MSA.

The core of a financial reporting entity is the primary government which has a separately elected governing body. As required by accounting principles generally accepted in the United States of America, the financial reporting entity includes both the primary government and all of its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In turn, component units may have component units.

An organization other than a primary government may serve as a nucleus for a reporting entity when it issues separate financial statements. That organization is identified herein as a primary entity. The Authority has determined that it qualifies as a primary entity, it is a component unit of the State of South Carolina, and it has no component units.

A primary government or entity is financially accountable if its officials or appointees appoint a voting majority of an organization's governing body including situations in which the voting majority consists of the primary entity's officials serving as required by law (e.g., employees who serve in an ex-officio capacity on the component unit's board are considered appointments by the primary entity) and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary entity. The primary entity also may be financially accountable if an organization is fiscally dependent on it even if it does not appoint a voting majority of the board. An organization is fiscally independent if it holds all of the following powers:

- (1) Determines its budget without another government having the authority to approve and modify that budget.
- (2) Levies taxes or sets rates or charges without approval by another government.
- (3) Issues bonded debt without approval by another government.

The organization is fiscally dependent on the primary government or entity that holds one or more of the above powers. Based on these criteria, the Authority is a blended component unit of the primary government of the State. Accordingly, the financial statements are blended in the State's special revenue funds in the State's Comprehensive Annual Financial Report.

The Authority is governed by a board, which consists of five members. The members are the Governor or his designee, the State Treasurer, the Comptroller General, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. The Governor serves as chairman; in the absence of the Governor, the meeting is chaired by the State Treasurer. All members of the Board serve ex officio.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY
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Notes to Financial Statements

June 30, 2019

(2) Summary of Significant Accounting Policies

- (a) General. In its accounting and financial reporting in conformity with accounting principles generally accepted in the United States of America, the Authority follows the pronouncements of the Governmental Accounting Standards Board ("GASB").
- (b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation. GASB Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, requires government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Government-wide financial statements (i.e., the statement of net position and the statement of activities) do not provide information by fund. Significantly, the statement of net position may include non-current assets and liabilities, which generally are not included in the fund statements. The statement of net position includes three components of net position.
 - (1) Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. The Authority does not have any capital assets; thus this classification is not used.
 - (2) Restricted net position consists of net position subject to external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. The Authority reports that portion of its net position restricted by statutory constraints as restricted net position.
 - (3) Unrestricted net position consists of net position that does not meet the definition of restricted net position or invested in capital assets, net of related debt. The Authority reports that portion of its net position not externally constrained, primarily funds available for payment of its authorized operating expenses, as unrestricted net position.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers who purchase, use, or benefit from the services provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted interest income and other items not properly included among program revenues are reported as general revenues. The Authority has no program revenues.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY
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Notes to Financial Statements

June 30, 2019

In addition to the government-wide financial statements, the Authority has prepared financial statements for the Authority's only governmental fund. Governmental fund financial statements use the modified accrual basis of accounting and the current financial resources measurement focus. Tobacco Settlement Revenues ("TSRs") are recognized as soon as they are considered measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within one year after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred.

The Authority reports one governmental fund, the General Fund, which is the general operating fund of the Authority. It is used to account for all financial resources of the Authority. As a blended component unit of the State, the Authority's General Fund is reported as a special revenue fund in the financial statements of the State.

- (c) Asset Recognition Criteria for TSRs. The Authority implemented GASB Technical Bulletin No. 2004-1: Tobacco Settlement Recognition and Financial Reporting Entity Issues (the "Bulletin"), effective July 1, 2003. The Bulletin requires the Authority to recognize TSRs when the event giving rise to recognition occurs (the domestic shipment of cigarettes by the tobacco manufacturers) in the government-wide financial statements, and when the event occurs and the TSRs become available in the fund financial statements. Other than the asset recognition criteria required by the Bulletin, future collections are not measurable and are therefore not recorded as assets in either the government-wide financial statements or the government fund financial statements.
- (d) Cash and Cash Equivalents. Cash includes cash on hand, demand deposits, and short term investments with original maturities of three months or less from the date acquired by the Authority.
- (e) Investments. Investments, if any, are recorded on the Statement of Net Position and the Governmental Fund Balance Sheet at fair value. All investment income, including changes in the fair value of investments, is reported as revenue in the Statement of Activities and the Statement of Revenues, Expenditures, and Changes in Fund Balance.
- (f) Fund Balance. The Authority reports fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement establishes fund balance classifications for governmental funds that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported therein. The Statement requires governments to disclose information in the notes about the processes through which constraints are imposed, as well as accounting policies that determine whether restricted, committed, assigned, and unassigned amounts are considered to be spent.

The Authority conforms its fund balance reporting to the classification and hierarchy structure of the State, generally as follows:

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY
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Notes to Financial Statements

June 30, 2019

- (1) Restricted. Fund balance is reported as restricted when constraints placed on resource use are either (a) externally imposed by creditors, grantors, contributors, laws or regulation of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the State to assess, levy, charge, or otherwise mandate payments of resources from resource providers and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable requirement is one that an outside party can compel the government to honor.
- (2) Committed. Fund balance is reported as committed if the Authority's by-laws or official actions, including adoption of its annual budget, constrain the use of its resources. Committed constraints can be removed only through similar action that created the constraint.
- (3) Assigned. Fund balance is reported as assigned if the fund balance is constrained by the Authority's intent to expend resources for specific purposes. Such intent may be expressed by an official or body pursuant to delegation by the Authority.
- (4) Non-spendable. Fund balance is reported as non-spendable if the balance has a lack of availability in form or substance of the assets and liabilities reported in the fund to meet its obligations in the near future.
- (5) Unassigned. Fund balance is reported as unassigned for all residual amounts not otherwise classified.

The Authority has no assigned, non-spendable or unassigned fund balance.

The Authority's bond enabling act provides a covenant for the irrevocable assignment of certain of the Authority's assets during any time bonds are outstanding, plus one year and one day thereafter. All of the Authority's outstanding bonds were retired on June 1, 2012. Accordingly, until June 2, 2013, certain of the Authority's assets were classified as restricted by bond covenants because they were subject to a legally enforceable external constraint by the terms of the Trust Indenture.

Subsequent to June 2, 2013, assets previously restricted by bond covenants are available to the State in accordance with the expenditure provisions of Section 11-11-170 of the South Carolina Code of Laws 1976, as amended (the "Expenditure Act"). The Authority classifies all TSRs held at, or received or receivable subsequent to June 2, 2013, as restricted by statute, since the Expenditure Act constrains the use of that portion of the Authority's resources. The remaining portion of net position is reported as unrestricted.

Likewise, in the Governmental Fund Balance Sheet, the portion of fund balance that is subject to the Expenditure Act is reported as restricted by statute; however, the remaining portion of fund balance is reported as committed to operating expense inasmuch as that portion of fund balance is constrained by the Authority's annually adopted budget. The Authority has full statutory power to adopt, revise and rescind its budget, and to expend funds for the costs of administering its operations.

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June 30, 2019

The Authority classifies the expenditure of funds when incurred based on the nature of the expenditure, with externally directed expenditures generally made from restricted funds, and expenditures made within the discretion of the Authority or subject to its own budget, primarily its authorized operating expenditures, made from committed funds.

- (g) The Authority is required by State proviso to transfer any remaining TSRs, after transfers to the South Carolina Attorney General and Law Enforcement Division, to the South Carolina Department of Health and Human Services ("HHS"). At HHS' request, the Authority held \$36,780,129 of cash due to HHS at June 30, 2019 and has recorded a liability to HHS as a result for the remaining transfer of these funds.
- (h) Administrative Expenses. The State of South Carolina and certain of its agencies perform certain accounting, administrative, legal and enforcement services for the Authority, and the value of these services is accounted for as general government expenses in the financial statements. Note 6 – Related Party Transactions contains descriptions of and amounts expended for these purposes.
- (i) Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(3) Deposits and Investments

Prior to June 2, 2013, the Authority's cash deposits and investments held by the trustee were held in several restricted accounts in the name of the Authority, subject to investment restrictions imposed by the Trust Indenture. The Authority has not adopted a formal policy for these investments because the Trust Indenture contains these restrictions.

Subsequent to June 2, 2013, all of the Authority's cash deposits and investments are under the control of the State Treasurer who, by law, has sole authority for investing State funds. State law requires full collateralization of all bank balances under the control of the State Treasurer, who must correct any deficiencies in collateral within two days. At June 30, 2019, all bank balances under the control of the State Treasurer were fully insured or collateralized with securities held by the State's agent in the name of the State Treasurer.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

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Notes to Financial Statements

June 30, 2019

The following schedule reflects the Authority's deposits and investments at their fair and reported values at June 30, 2019, and reconciles the amounts reported in the statement of net position to the notes.

Notes		Statements	
Deposits		Cash	
Held by State Treasurer	\$ 41,991,953	and cash equivalents	\$ 41,991,953
Totals	<u>\$ 41,991,953</u>		<u>\$ 41,991,953</u>

Further information concerning among other things values and risks of deposits and investments under the control of the State Treasurer, including disclosure under GASB Statement No. 40, Deposits and Investments - Risk Disclosures, is disclosed in the Comprehensive Annual Financial Report of the State of South Carolina, which may be accessed at www.cg.sc.gov.

(4) Bonds Payable

On March 22, 2001, the Authority issued \$934,530,000 aggregate principal amount of Tobacco Settlement Asset-Backed Bonds (the "Series 2001 Bonds") pursuant to an indenture between the Authority and United States Trust Company of New York (subsequently acquired by the Bank of New York), as trustee, dated as of March 1, 2001, and the Tobacco Settlement Revenue Management Authority Act. On June 26, 2008, the Authority defeased the Series 2001 Bonds with certain cash funds and proceeds of \$275,730,000 Tobacco Settlement Revenue Management Authority Tobacco Settlement Revenue Asset-Backed Refunding Bonds, Series 2008 (the "Series 2008 Bonds") issued pursuant to an indenture between The Bank of New York Trust Company, N.A., as trustee, and the Tobacco Settlement Revenue Management Authority.

At June 30, 2019, a total of \$64,890,000 of the Authority's legally and economically defeased Series 2001 Bonds remained outstanding; however, all of the Series 2001 Bonds are deemed paid within the meaning of and with the effect expressed in, and accordingly are no longer outstanding under, the Trust Indenture.

The Series 2008 Bonds were scheduled to retire in ordinary course on June 1, 2018; however, under early redemption provisions ("Turbo Redemptions"), any MSA payments exceeding annual debt service requirements of the Series 2008 Bonds were applied to early redemption of principal. On June 1, 2012, the Authority had sufficient funds to redeem as Turbo Redemptions the entire principal amount of the Series 2008 Bonds then outstanding; accordingly, all of the Authority's debt has been fully discharged.

(5) Disputed Payments

Under the provisions of the MSA, the participating manufacturers ("PMs") are potentially entitled to an adjustment of their required payments under the MSA (an "NPM Adjustment") in the event that all of the PMs, in the aggregate, lose more than two percentage points of market share compared to the market share of the PMs in 1997. However, the annual adjustment cannot be applied against settling states that have enacted and diligently enforced an escrow fund statute

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June 30, 2019

during the applicable year. Each year since 1999, the PMs have requested that the Independent Auditor, PricewaterhouseCoopers, apply the NPM Adjustment. In accordance with the terms of the MSA, the Independent Auditor will not apply any given year's adjustment until a panel of three arbitrators determines the diligent enforcement efforts of all states. In 2003, the MSA signatories settled the NPM Adjustment disputes for 1999 through 2002.

In May 2013, South Carolina joined 21 other states and the PMs in agreeing to terms of a settlement of the NPM adjustment disputes for the years 2003 through 2012. In October 2017, the terms of the settlement for 2003 through 2012, were memorialized in the NPM Adjustment Settlement Agreement (the "Agreement"). Between 2013 and October 2017, the number of signatory states increased to 35, and during that same period, those states and the PMs agreed to settle the 2013 through 2015 NPM Adjustment disputes. Thereafter, in November 2018, an addendum to the Agreement resolved the 2016 and 2017 disputed payments. The State of New York settled its disputed payments in a separate agreement with the PMs. The Agreement and addendum provided that the signatory states would receive certain payments released from the disputed payments account and that the PMs would be entitled to take certain credits from MSA payments. In addition to the financial terms of the settlement, the PMs agreed to reduce withholding amounts for future disputed payments, and the parties agreed to a modification of the diligent enforcement standards for future NPM Adjustment disputes.

Since 2013, as of its most recent payment date of April 19, 2019, South Carolina has received \$124,215,892 released from the MSA Disputed Payment Account (DPA) related to the Agreement. For the same time periods, South Carolina related MSA payment credits and DPA funds disbursed to the PMs totaled \$74,024,328.

The \$74,024,328 in South Carolina related MSA payment credits and DPA funds disbursed to the PMs was retained by the PMs and not the State of South Carolina.

South Carolina's current estimated minimum exposure related to the NPM adjustment is \$11,742,689 (Sales Year 2018) relating to challenges of diligent enforcement and other settlement factors. At this time the result of this dispute cannot be determined.

(6) Related Party Transactions

The State of South Carolina, through the Office of Attorney General, the State Law Enforcement Division, and the South Carolina Department of Revenue, provides certain legal and enforcement services to the Authority. During the fiscal year ended June 30, 2019, the Authority made or provided for \$2,028,000 in expenditures from its general fund to these state agencies to cover costs of providing these services. The Office of State Treasurer provides administrative, investment, operations, record keeping, and other support services to the Authority; however, no reimbursements were made by the Authority during the fiscal year ended June 30, 2019 to cover costs of providing these services.

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Notes to Financial Statements

June 30, 2019

(7) Risk Management

The Authority is exposed to risks of loss from torts and maintains State coverage for these risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. There were no significant reductions in insurance coverage from coverage in the prior year. The insurer promises to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accord with insurance policy and benefit program limits except for the deductibles. The Authority and other entities pay premiums to the State's Insurance Reserve Fund ("IRF") which issues policies, accumulates assets to cover the risks of loss, and pays claims incurred for covered losses related to torts. The IRF is a self-insurer whose rates are determined actuarially.

No payments for uninsured losses were made during the fiscal year ended June 30, 2019.

(8) Subsequent Events

The Authority has evaluated all events subsequent to the statement of net position date of June 30, 2019 through the date of issuance of these financial statements, October 4, 2019, and has determined that there are no subsequent events requiring disclosure.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

Required Supplementary Information (unaudited)

Budgetary Comparison Schedule

General Fund

Year ended June 30, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive/(Negative)
Revenues				
Tobacco settlement receipts	\$ 71,152,424	\$ 71,152,424	\$ 78,723,032	\$ 7,570,608
Investment earnings	—	—	85,096	85,096
Total revenues	<u>71,152,424</u>	<u>71,152,424</u>	<u>78,808,128</u>	<u>7,655,704</u>
Expenditures				
Contractual services	32,000	32,000	26,200	5,800
Fixed charges and contributions	<u>2,490</u>	<u>2,490</u>	<u>2,865</u>	<u>(375)</u>
Total expenditures	<u>34,490</u>	<u>34,490</u>	<u>29,065</u>	<u>5,425</u>
Transfers				
Transfers to other state agencies	<u>71,186,914</u>	<u>71,186,914</u>	<u>78,798,129</u>	<u>(7,611,215)</u>
Total transfers	<u>71,186,914</u>	<u>71,186,914</u>	<u>78,798,129</u>	<u>(7,611,215)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (68,980)</u>	<u>\$ (68,980)</u>	<u>\$ (19,066)</u>	<u>\$ 49,914</u>

See accompanying notes to required supplementary information.

TOBACCO SETTLEMENT REVENUE MANAGEMENT AUTHORITY

(A Component Unit of the State of South Carolina)

Required Supplementary Information (unaudited)

Notes to Budgetary Comparison Schedule
General Fund

Year ended June 30, 2019

(1) Basis of Presentation

Section 11-49-60 of the South Carolina Code of Laws 1976, as amended requires the Authority to adopt an annual budget for its operational expenditures. The accompanying budgetary comparison schedule compares the Authority's legally adopted budget to actual results on the budgetary basis.

(2) Budgetary Revisions

The Authority maintains budgetary control at the object category of expenditure and must approve any transfer of appropriations between the object categories.

(3) Differences in Budgetary and GAAP Reporting

The accompanying budgetary comparison schedule compares the Authority's legally adopted budget with actual results in accordance with the Authority's basis of budgeting. The Authority's primarily cash basis budgetary accounting principles, however, differ significantly from GAAP. These different accounting principles may result in basis differences in the excess (deficiency) of revenues over (under) expenditures. Basis differences arise because the basis of budgeting differs from the GAAP basis used to prepare the governmental fund statement of revenues, expenditures and changes in fund balance. The primary differences reflected in the budgetary comparison schedule for the fiscal year ended June 30, 2019 were the amount and classification of transfers to other state agencies and the recognition of revenues. For budgetary purposes, payments to other state agencies are presented as transfers, however, under GAAP, a portion of these are reflected as operating expenditures as they represent reimbursement to other state agencies for their enforcement of the MSA. In addition, the comparison schedule does not include revenues for the increase in tobacco settlements receivable, which increased revenues by \$2,000,000 on the GAAP basis.

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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***

Mr. George L. Kennedy III, CPA
State Auditor
Office of the State Auditor
Columbia, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of South Carolina Tobacco Settlement Revenue Management Authority (the "Authority") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise South Carolina Tobacco Settlement Revenue Management Authority's basic financial statements, and have issued our report thereon dated October 4, 2019.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered South Carolina Tobacco Settlement Revenue Management Authority's internal control over financial reporting (internal control) to determine the 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 South Carolina Tobacco Settlement Revenue Management Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of South Carolina Tobacco Settlement Revenue Management Authority'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 over financial reporting 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether South Carolina Tobacco Settlement Revenue Management Authority'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 determination of financial statement amounts. 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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Columbia, South Carolina
October 4, 2019

The Hall Group, P.A.