

University of South Carolina

Columbia, South Carolina

Annual Comprehensive Financial Report
For the Year Ended June 30, 2025



A Component Unit of the State of South Carolina

ON THE COVER

Established in 1976, the University of South Carolina's McKissick Museum is located at the heart of the historic Horseshoe on the University's Columbia campus. The Museum's collections date back to 1801 and provide insight into the history of the university and the community, culture, and environment of the American South.



Annual Comprehensive Financial Report

For the year ended June 30, 2025

A Component Unit of the State of South Carolina

Prepared by the Controller's Office

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Table of Contents

INTRODUCTORY SECTION

President's Letter	9
University Strategic Priorities	10
Letter of Transmittal	12
Certificate of Achievement	17
University Board of Trustees	18
University Organizational Chart	19

FINANCIAL SECTION

Independent Auditor's Report	22
Management's Discussion and Analysis	26
Basic Financial Statements:	
Statement of Net Position	40
Statement of Revenues, Expenses and Changes in Net Position	42
Statement of Cash Flows	43
Nongovernmental Discretely Presented Component Units - Statements of Financial Position	45
Nongovernmental Discretely Presented Component Units - Statements of Activities	46
Notes to the Financial Statements:	
Note 1 - Summary of Significant Accounting Policies	47
Note 2 - Cash and Cash Equivalents, Other Deposits, and Investments	52
Note 3 - Receivables	54
Note 4 - Capital Assets	55
Note 5 - Pension Plans	56
Note 6 - Postemployment and Other Employee Benefits	64
Note 7 - Contingencies, Litigation, and Project Commitments	67
Note 8 - Leases, Subscriptions, and Other Arrangements	68
Note 9 - Bonds and Notes Payable	71
Note 10 - Long-Term Liabilities	74
Note 11 - Component Units	74
Note 12 - Risk Management	75
Note 13 - Operating Expenses by Function	77
Note 14 - Endowments	77
Required Supplementary Information to the Financial Statements:	
Schedule of the University's Proportionate Share of the Net Pension Liability	81
Schedule of the University's Contributions Related to the Pension Liability	82
Schedule of the University's Proportionate Share of the Net OPEB Liability	83
Schedule of the University's Contributions Related to the OPEB Liability	84
Supplementary Information to the Financial Statements:	
Combining Schedule of Net Position	87
Combining Schedule of Revenues, Expenses and Changes in Net Position	88

Table of Contents

STATISTICAL SECTION

Schedule of Revenues by Source	92
Schedule of Expenses by Use	94
Schedule of Expenses by Function	95
Schedule of Net Position and Changes in Net Position	96
Schedule of Ratios of Outstanding Debt	97
Schedule of Bond Coverage	98
Schedule of Capital Asset Information	100
Schedule of Enrollment Statistics	101
Schedule of Degree Data	102
Schedule of Admissions Statistics	103
Faculty and Staff Statistics	104
Undergraduate Required Tuition and Fees - Resident	105
Undergraduate Required Tuition and Fees - Nonresident	106
State of South Carolina Demographic Statistics	107
State of South Carolina Ten Largest Employers	108



Introductory Section

(Unaudited)

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Michael D. Amiridis
President

September 30, 2025

Dear Carolina community,

Over the past year, the University of South Carolina has celebrated multiple record-setting achievements. Together, they reveal a university that is thriving and succeeding on numerous fronts.

In the Fall 2025 semester, USC surpassed all previous enrollment records, setting a new high of 7,829 freshmen and an on-campus student population of 40,219. We also received more than 60,000 applications for admission from across the country – another historic high. And, thanks to strong legislative funding support, we are holding in-state tuition at the same level for a seventh consecutive year. These numbers are indicators of our strong national reputation, as well as the fulfillment of our commitment to an accessible and affordable college education for more South Carolina students.

USC also attracted a record-setting \$323 million in sponsored research awards, reaching a new high for a third straight year and growing by 36% over the past four years. We have also seen our most successful fundraising year ever, with \$259 million in private support, including the largest single gift in USC history. In April, we announced a \$75 million gift from alumnus Peter McCausland, his wife, Bonnie, and The McCausland Foundation, renaming the McCausland College of Arts and Sciences. This is the third named college at USC in as many years, and it showcases the confidence of our supporters in the impactful work we are doing.

Carolina continues to be recognized for its top-ranked student experience, and we strive to improve on success. This month, we held the second Imagine Carolina brainstorming retreat with our students to elicit their feedback on how to create a better campus living and learning experience. Their input at our first Imagine Carolina in 2022 led to improvements in campus Wi-Fi, dining, parking, and advising, among other upgrades. Along with the steady implementation of capital improvements through our USC Next master plan, we look forward to transforming innovative ideas into realities that ensure USC is optimizing learning opportunities for all its students.

Construction of our new School of Medicine is well under way, and we have announced plans for a new neurological hospital and rehabilitation center – the first of its kind in the Southeast. Along with the growing impact of the statewide USC Brain Health initiative, these advances are creating new educational and research opportunities and greatly improving access to health care practitioners and resources for South Carolina.

Strong partnerships among university leadership, state legislators, civic and community leaders, and business and industry continue to ensure that USC is helping to build the future of South Carolina. I am honored to serve as president of the state's flagship university and to work alongside the dedicated community of individuals who are delivering results for our students and our state.

Sincerely,

Michael D. Amiridis



Established in 1801, the University of South Carolina has celebrated centuries of success, strengthening our university and sustaining our prominence as one of the nation’s oldest and most comprehensive public universities.

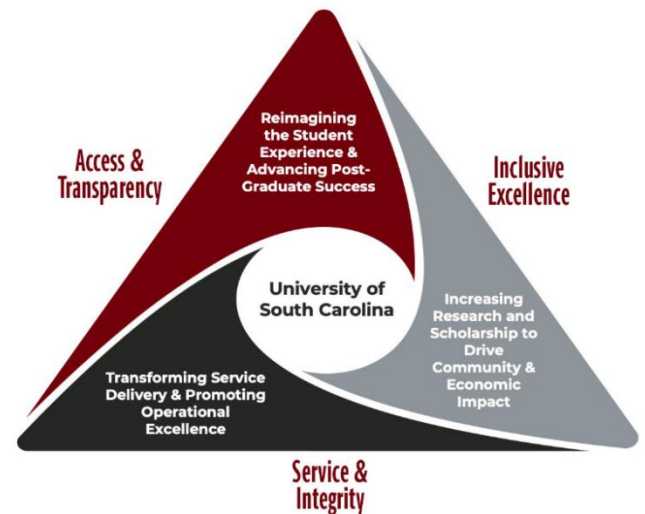
USC draws on this centuries-long experience and the creative thinking, dedication, and impact of our faculty and staff to offer an impressive and accessible portfolio of courses, programs, activities, and research endeavors to best serve our community, our state, and our nation.

As one of the leading flagship universities in the nation, USC serves a diverse population of undergraduate and graduate students, offers a wide range of nationally and internationally ranked academic programs, and engages world-class research and faculty members. Our community encompasses engaged learners, leading educators, and dedicated staff and administrators who are committed to pursuing knowledge and solving important societal and economic challenges. At the heart of USC’s mission lies our commitment to the state of South Carolina and to promoting the value of knowledge, fostering cultural enrichment, and strengthening quality of life in our state. Grounded in this commitment, we will continue our growth and serve our community for centuries to come.

USC unveiled its most recent strategic plan, *For South Carolina: A Path to Excellence*, in 2020. This broad and ambitious plan was thoughtfully crafted by USC faculty, staff, and students during a critical juncture in higher education. The nation was in the midst of the COVID-19 pandemic and higher education institutions across the country were dealing with a myriad of challenges related to funding and maintaining operations as usual, all while prioritizing the health and well-being of their community members. During this time, the USC community aligned a strategic plan that articulated our mission and vision and a set of eight strategic priorities. USC’s priority areas included cultivating the best students and world-class faculty and staff, fostering outstanding research and community partnerships, and other ambitious goals. This comprehensive strategic plan detailed a path forward and expressed

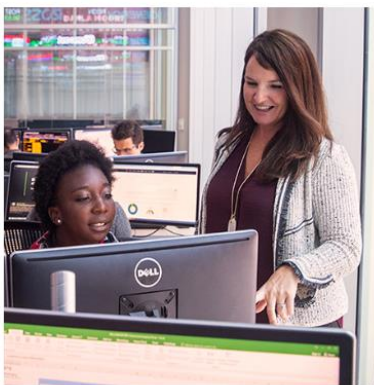
our aims for the future, including 25 goals, 71 objectives, 185 programs, and 260 metrics. Since this plan was broad and applicable to so many facets of important work, it resonated with many of our dedicated community members.

In the last three years, our institution has welcomed new leadership, presenting an opportunity to sharpen our near-term strategic focus. Our leadership stands by and values the priorities included in the 2020 strategic plan and will continue to further our important work in those areas. Each priority reflects our foundational values of **Access and Transparency**, **Inclusive Excellence**, and **Service and Integrity**, which are also at the core of our Carolinian Creed. However, through this document, we seek to establish increased clarity and alignment regarding USC's near-term goals and reinforce our commitment to inclusive excellence. Our near-term priorities include:



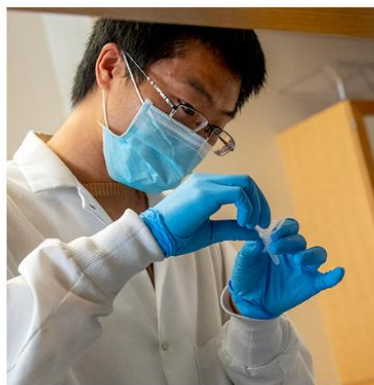
Strategic Priorities and Signature Initiatives

We identified three priorities to enable USC to achieve its ambitions, each designed to have a positive and lasting impact on our community.



Student Experience »

As undergraduate and graduate students are at the center of USC's mission, the Reimagining the Student Experience and Advancing Post-Graduate Success priority underscores our commitment to continuing to empower our students and to offering them high-quality educational and co-curricular experiences.



Research and Scholarship »

Recognizing the significance of our status as an R1 University, the Increasing Research and Scholarship to Drive Community and Economic Impact priority highlights our objectives of broadening our impact on our state and beyond.



Service Delivery »

The Transforming Service Delivery and Promoting Operational Excellence priority highlights our recognition of and response to the complexity of our institution by strengthening accessibility, engagement, and efficiency.



Letter of Transmittal

September 30, 2025

President Amiridis,
Members of the Board of Trustees, and
Friends of the University of South Carolina

We are pleased to present our Annual Comprehensive Financial Report of the University of South Carolina for the year ended June 30, 2025. This Annual Comprehensive Financial Report includes the financial statements for the year ended June 30, 2025, as well as other useful information that helps ensure the University's accountability to the public. Responsibility for the accuracy of the information and for the completeness and fairness of its presentation, including all disclosures, rests with the University's management. We believe the information is accurate in all material respects and fairly presents the University's financial position, revenues, expenses, and other changes in net position.

We believe our system of internal controls is sound and sufficient to disclose material deficiencies in controls to the auditors and to the Audit and Compliance Committee of the Board of Trustees and to provide management with reasonable, although not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State law, federal guidelines, and certain bond covenants require that the University's accounting and financial records be audited each year. For the fiscal year ended June 30, 2025, the University contracted with the independent certified public accounting firm of CliftonLarsonAllen, LLP to perform the University's annual audit. The auditors have issued an unmodified opinion, the most favorable outcome of the audit process. The University's internal auditors also perform fiscal, compliance, and performance audits. The reports resulting from these audits are shared with University administration. Internal and external audit reports are provided to the Audit, Compliance and Risk Committee of the Board of Trustees.

As a lump sum agency of the State of South Carolina, the University is required to provide a complete set of audited financial statements by October of each year for incorporation into the statewide Annual Comprehensive Financial Report. This report fulfills that requirement for the fiscal year ending June 30, 2025. Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative overview and analysis of the

basic financial statements. The Annual Comprehensive Financial Report includes Management's Discussion and Analysis and all disclosures necessary for the reader to gain a broad understanding of the University's financial position and results of operations for the fiscal year ended June 30, 2025. The letter of transmittal complements the MD&A and should be read in conjunction with it.

Profile of the University

The University of South Carolina is a state-supported, coeducational institution of higher education. The University is home to more than 200 years of history and tradition, rising from a single building in 1805 to what would become the heart of the campus, the Horseshoe. The Palmetto State established South Carolina College, the precursor to the University of South Carolina, on December 19, 1801, as part of an effort to unite South Carolinians in the wake of the American Revolution. Located in the Capital City, the University was purposefully located and positioned to become the State's higher education leader. The University is one of only 32 public universities to receive both the top-tier research designation and the community engagement designation from the Carnegie Foundation. The University's mission is to educate the state's diverse citizens through teaching, research, creative activity, and service.

The University of South Carolina is governed by the Board of Trustees in accordance with Title 59 Chapter 117 of the State of South Carolina Code of Laws. The Board of the University of South Carolina is composed of 20 members including sixteen members elected by the General Assembly with one from each judicial circuit. Additionally, there are three *ex officio* members including the Governor (or designee), the State Superintendent of Education, and the President of the Greater University of South Carolina Alumni Association. The Governor also appoints one member at-large.

The accompanying financial statements present all funds belonging to the University and its component units. While the multi-campus University of South Carolina System's Board of Trustees has ultimate responsibility, the president and University management have both delegated and statutory responsibilities for financial accountability of the University's funds. The University prepares its financial statements and related disclosures in accordance with standards set by the Governmental Accounting Standards Board (GASB) and implements new GASB statements as they are required.

The financial reporting entity for the financial statements is comprised of the Columbia campus, including the School of Medicine with locations in Columbia and Greenville, and seven system campuses. The accompanying financial statements present all funds belonging to the University and its component units. Three separately chartered legal entities, whose activities are related to those of the University and whose primary purpose is to provide financial assistance and other support to the University and its education program, are discretely presented as component units of the University. These include the University of South Carolina Development Foundation; the University of South Carolina Educational Foundation; and the University of South Carolina Business Partnership Foundation. Because the activities and resources of these entities are

significant, provide a direct benefit, and are accessible to the University, they are considered component units of the University and are discretely presented in the University's financial statements. All discretely presented component units are audited annually by a public accounting firm. All audit reports are available for public inspection.

The University conducts business under a comprehensive set of policies and procedures to improve communication, promote administrative consistency and efficiency and ensure compliance with pertinent state and federal laws as well as state and regional accreditation requirements. Financial policies are in place for University accounting to include revenue and expenditures, contract and grant accounting, tuition and fee assessment, payroll, and capital debt. Following the implementation of new administrative finance systems, policies have been updated to conform to revised practices.

The University is responsible for controlling its budget and using the funds to fulfill its educational, research and public service missions. It is also responsible for planning, developing, and controlling budgets and expenditures within authorized allocations in accordance with University, state and federal policies and procedures. The University maintains budgetary controls to ensure compliance with provisions embodied in the annual appropriated budget approved by the South Carolina General Assembly, and as further directed by the Board of Trustees.

Economic Condition

The economic position of the University remains robust evidenced by consistent operating revenue growth, strong demand for enrollment, and stable, manageable changes in operating expenditures. As a state-supported higher education institution, the University's economic position is closely tied to the State of South Carolina. The State finished the 2025 fiscal year on a positive note with full funding of the State's Rainy-Day Fund at 5.5 percent of the prior year's General Fund Revenues and fully funded the Capital Reserve Account at 3 percent of the prior year's General Fund Revenues.

South Carolina's unemployment rate was 4.1 percent at the end of June 2025, which was 0.5 percent higher than June 2024. The national average was 4.1 percent and South Carolina ranked 26th, compared to other states, per the U.S. Bureau of Labor Statistics. According to the Economic Outlook, published by the South Carolina Department of Commerce, trends in non-farm jobs continue to be positive for the state with the most recent increase in June totaling 5,800 and a year over year increase of 68,800, with the largest gains in leisure and hospitality services and trade, transportation, and utilities.

University Highlights

The 2024-2025 academic and fiscal year was another productive year for the University. The University's overall financial position remains strong and stable. The University once again raised the bar in admissions, enrollment, research, graduation, and retention rates.

For fiscal year 2025, the University has received additional state funding to support academic initiatives that promote access and affordability through tuition mitigation for residents of South Carolina and continued funding to support the maintenance and capital needs of our campuses. The University relies on tuition and fees to support the general operating budget and with added state support for fiscal year 2026, the University has been able to mitigate tuition increases for Fall 2026.

Student interest in the University remains strong and demand for enrollment continues to grow, with a record number 59,637 applications received for the Fall 2025 freshman class, an increase of 13% over last year's record. Preliminary data indicates approximately 9,896 new undergraduate students on the Columbia campus, of which 7,821 are new freshmen, the largest freshman class in University history. Student success is also at an all-time high, with a freshman to sophomore retention rate climbing to 92.5% for the first time. As a result of these gains, overall enrollment for the Columbia campus stands at 40,320, the highest ever in University history, and for the University System at 58,509. Both are increases of over 4% from last Fall 2024's record enrollment highs for Columbia and the USC System.

The University achieved its most successful fundraising year in history, security of almost \$260.0 million in private support during the fiscal year 2025. This included the largest single gift in university history of \$75.0 million to rename and transform the McCausland College of Arts and Sciences.

The University is classified as an R1 University by the Carnegie Classification for Institutions of Higher Education. Research grant awards were \$323.2 million in the 2025 fiscal year. Awards in fiscal year 2026 are up 13.2% to date and are estimated to surpass 2025.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the University for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This was the fourteenth consecutive year that the University has been honored with this prestigious award. To receive a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this Annual Comprehensive Financial Report in a timely manner would not have been possible without the efforts of the University Controller's Office and the coordinated efforts of the University community and all campuses, with special assistance from the Office of Research, Assessment and Analytics, Student Affairs, Enrollment Management, University

Athletics, Sponsored Awards Management, Bursar's Office, Office of Financial Aid and University Communications. In addition, the Office of the State Auditor, the State Comptroller General's Office, and the Office of the State Treasurer provided invaluable assistance.

Sincerely,



Mr. Edward L. Walton
Executive Vice President for Administration
& Chief Financial Officer



Ms. Mandy M. Kibler
Associate Vice President for
Administration and Finance
& University Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

University of South Carolina

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

UNIVERSITY OF
South Carolina
Board of Trustees



Thad H. Westbrook
Chair
11th Judicial Circuit
Attorney
Term: 2023-2026



Rose Buyck Newton
Vice Chair
14th Judicial Circuit
Banker
Term: 2020-2024



C. Dan Adams
Governor's Designee
Investment Banker
Term: Appointment



W. Michael Bond
USC Alumni Association
Attorney
Term: 2024-2026



Coleman Floyd
Buckhouse, M.D.
12th Judicial Circuit
Physician
Term: 2024-2026



Alex English
5th Judicial Circuit
Retired
Term: 2023-2026



Brian C. Harlan
8th Judicial Circuit
Chief Executive Officer
Term: 2020-2024



Henry L. Jolly Jr.,
D.M.D.
7th Judicial Circuit
Dentist
Term: 2023-2026



Richard A. Jones, Jr.
Governor's Appointee
Attorney
Term: Appointment



Hubert F. "Hugh"
Mobley
6th Judicial Circuit
Pharmacist
Term: 2020-2024



Leah B. Moody
16th Judicial Circuit
Attorney
Term: 2020-2024



Emma W. Morris
10th Judicial Circuit
Attorney
Term: 2020-2024



Reid T. Sherard
13th Judicial Circuit
Attorney
Term: 2023-2026



C. Dorn Smith, III M.D.
Chair Emeritus
3rd Judicial Circuit
Physician
Term: 2023-2026



John C. von Lehe, Jr.
9th Judicial Circuit
Attorney
Term: 2023-2026



Charles H. Williams, II
1st Judicial Circuit
Attorney
Term: 2023-2026



Vacant
2nd Judicial Circuit



Vacant
4th Judicial Circuit



Vacant
15th Judicial Circuit



Ellen Weaver
State Superintendent of
Education



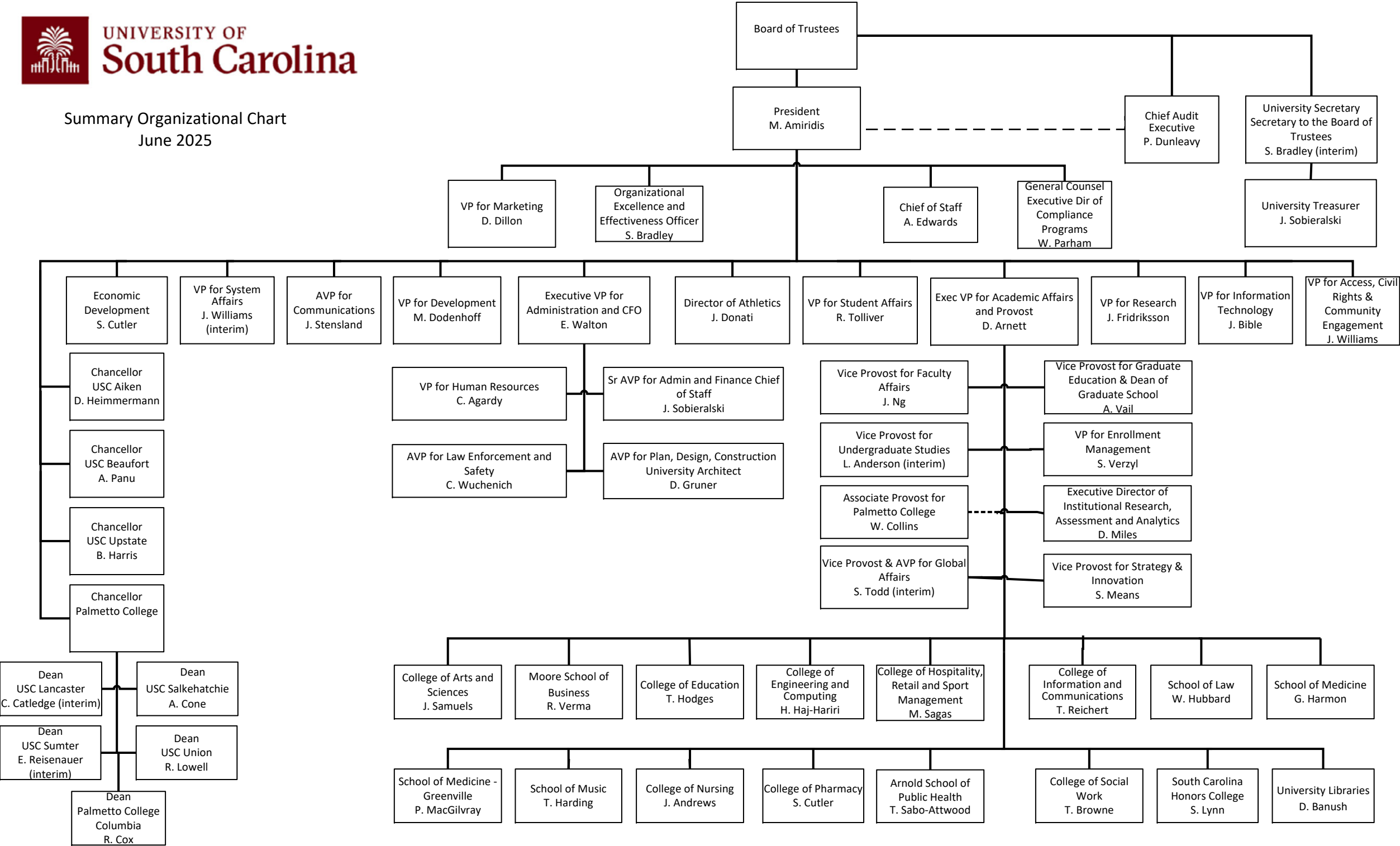
Stacey Bradley
Interim Secretary of the
Board



Henry McMaster
Governor
State of South Carolina



Summary Organizational Chart
June 2025



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Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Trustees
University of South Carolina
Columbia, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the University of South Carolina (USC) (the University System), a component unit of the State of South Carolina, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the University System's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the University System, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the USC Development Foundation; the USC Educational Foundation; and the USC Business Partnership Foundation, which represent 100 percent of the assets, net position/assets and revenues of the University System's aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the University System are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the USC Development Foundation; the USC Educational Foundation; and the USC Business Partnership Foundation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the University's Proportionate Share of the Net Pension Liability, the Schedule of the University's Contributions Related to the Net Pension Liability, the Schedule of the University's Proportionate Share of the Net OPEB Liability, and the Schedule of the University's Contributions Related to the Net OPEB Liability be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University System's basic financial statements. The Combining Schedule of Net Position and the Combining Schedule of Revenues, Expenses and Changes in Net Position (collectively, the supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2025 on our consideration of the University System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering University System's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Charlotte, North Carolina
September 22, 2025

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

Management's Discussion and Analysis provides an overview and analysis of the University of South Carolina System's (the University) financial activities for the fiscal year ended June 30, 2025, with comparative information for the fiscal year ended June 30, 2024. Management has prepared the discussion and analysis to be read in conjunction with the financial statements and accompanying notes to the financial statements.

The University of South Carolina System is comprised of the Columbia campus, including the School of Medicine with locations in Columbia and Greenville, and seven system campuses. The University is a component unit of the State of South Carolina, and an integral part of the State's Annual Comprehensive Financial Report (ACFR).

The financial reporting entity for the financial statements is comprised of the University and its component units. The emphasis of discussions about these statements will be on current year data and will not include the discretely presented component units.

The University's financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), which establishes standards for external financial reporting for public colleges and universities. These statements are presented on a consolidated basis to focus on the University as a whole. The full scope of the University's activities is a single business-type activity and accordingly, is reported within a single column in the basic financial statements.

The University's financial report includes five financial statements and related notes:

1. The Statement of Net Position for the University of South Carolina System
2. The Statement of Revenues, Expenses and Changes in Net Position for the University of South Carolina System
3. The Statement of Cash Flows for the University of South Carolina System
4. The Combined Statement of Financial Position for the Nongovernmental Component Units of the University
5. The Combined Statement of Activities for the Nongovernmental Component Units of the University

FINANCIAL OVERVIEW

The University maintained its solid and stable financial position at June 30, 2025. The current ratio at June 30, 2025, was 8.5 times, compared to 7.6 times at June 30, 2024. The University's assets and deferred outflows of resources was \$4.6 billion at June 30, 2025, up from \$3.9 billion at June 30, 2024.

Total assets increased by 15.9 percent from the prior year, and total liabilities increased 6.1 percent for the same period. Total assets changes were largely due to the increase in cash and cash equivalents, accounts receivable, and capital assets, net of accumulated depreciation and amortization. Total liabilities increased largely due to a increase in net Other Post Employment Benefits (OPEB) liability.

Operating revenues increased 6.1 percent as compared to the prior year due to increases in student tuition and fees, increases in sponsored awards grants and contracts revenue, and increases in sales and services revenue from auxiliary enterprises to include housing, dining, parking, and athletics. Net nonoperating revenues increased 4.6 percent over the prior year, due primarily to increases in federal Pell grants and an increase in investment and endowment revenues due primarily to the change in unrealized gains. State appropriations, tuition and fees, and sales and services along with campus auxiliary operations are important resources to the University. As a major research university, funding from grants and contracts is also of key importance to the University's success in fulfilling its mission.

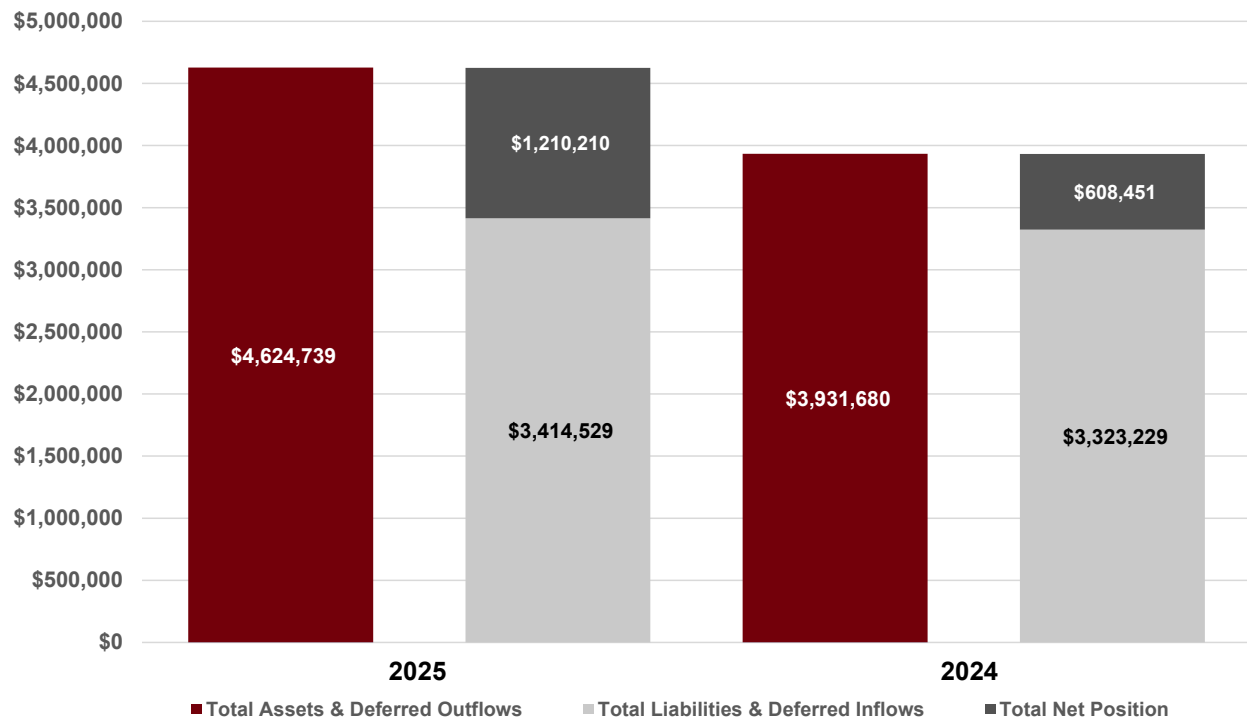
Operating expenses increased 8.1 percent, due to an increase in cost-of-living salary adjustments, inflation impacts on goods and services and increases in scholarships and fellowships due primarily to federal Pell grants.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

A comparison of the total assets and deferred outflows of resources, liabilities and deferred inflows of resources and net position and the major components of the changes in net position at June 30, 2025, and June 30, 2024, respectively, is presented below. Net position increased \$602.0 million at June 30, 2025, from the prior year.

Net Position

Dollars in thousands



STATEMENT OF NET POSITION

The Statement of Net Position presents the financial position of the University at the end of the fiscal year and includes all assets and deferred outflows of resources and liabilities and deferred inflows of resources of the University. The net position is an indicator of the prudent utilization of financial resources and the overall health of the University, while the change in net position reflects the current year's activities. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost, less an allowance for depreciation and amortization. Depreciation and amortization are methods of allocating the cost of an asset over its useful life to indicate how much of an asset's value has been consumed.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

The following table summarizes the University's assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position on June 30, 2025, and June 30, 2024:

Condensed Statement of Net Position

Dollars in thousands

	2025	2024	Increase (Decrease)	
			Amount	Percent
Assets:				
Current assets	\$ 2,036,561	\$ 1,740,353	\$ 296,208	17.0%
Noncurrent assets				
Endowment and investments	93,974	93,022	952	1.0%
Accounts receivable	239,045	87,998	151,047	171.6%
Capital assets, net	1,740,561	1,623,669	116,892	7.2%
Other noncurrent assets	7,034	7,693	(659)	-8.6%
Total assets	4,117,175	3,552,735	564,440	15.9%
Deferred outflows of resources	507,564	378,945	128,619	33.9%
Liabilities:				
Current liabilities	239,983	230,639	9,344	4.1%
Noncurrent liabilities	2,681,248	2,521,958	159,290	6.3%
Total liabilities	2,921,231	2,752,597	168,634	6.1%
Deferred inflows of resources	493,298	570,632	(77,334)	-13.6%
Net Position:				
Net investment in capital assets	1,004,668	898,035	106,633	11.9%
Restricted	1,175,792	655,212	520,580	79.5%
Unrestricted	(970,250)	(944,796)	(25,454)	-2.7%
Total net position	\$ 1,210,210	\$ 608,451	\$ 601,759	98.9%

CURRENT ASSETS AND LIABILITIES

Current assets consist of current cash and cash equivalents, accounts receivable, and inventories. Current liabilities consist of accounts payable, unearned revenue, and the current portion of long-term liabilities. Working capital is defined as current assets less current liabilities. Working capital increased from \$1.5 billion as of June 30, 2024, to \$1.8 billion as of June 30, 2025.

Current assets cover current liabilities 8.5 times, an indicator of good liquidity and the ability to weather short-term demands on working capital. Current assets, excluding restricted cash and cash equivalents, cover 9.9 months of total operating expenses, excluding depreciation and amortization. For fiscal year 2025, one month of operating expenses was approximately \$142.6 million.

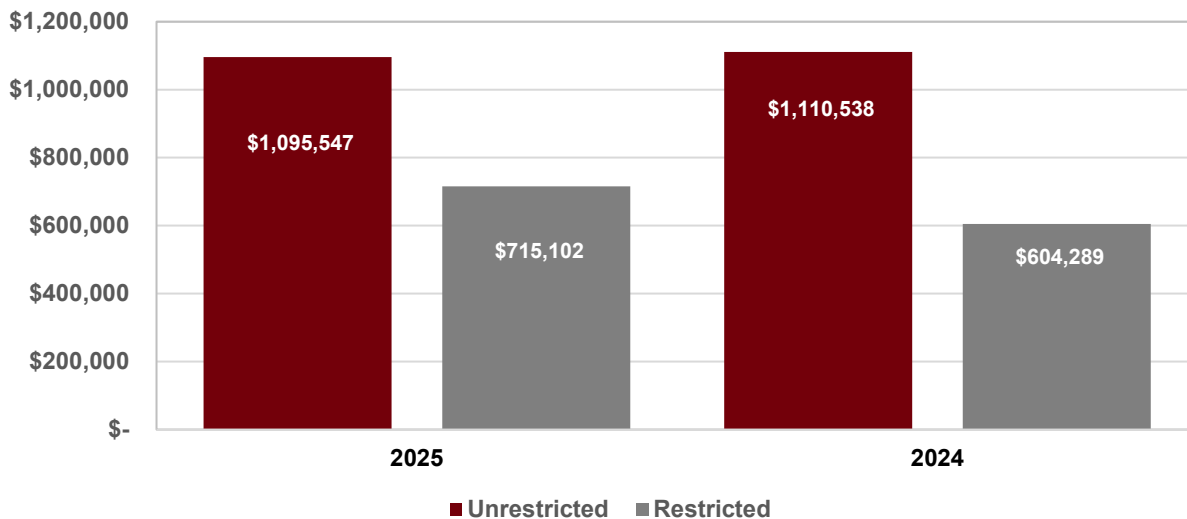
UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

CASH AND CASH EQUIVALENTS

The University's increase in cash and cash equivalents of \$95.8 million was due in part to unspent capital infrastructure appropriations of \$109.6 million for the Health Sciences campus received this fiscal year.

Unrestricted and Restricted Cash

Dollars in thousands



ACCOUNTS RECEIVABLE

The University's increase in current and non-current accounts receivable of \$350.6 million includes the capital appropriations receivables of \$340.0 million for the Neurological Critical Care and Rehabilitation Hospital.

CAPITAL ASSETS AND DEBT MANAGEMENT

A critical factor in sustaining the quality of the University's academic and research programs and residential life is the development and maintenance of its capital assets. The University continues to invest in its capital assets to modernize its older teaching and research facilities, construct new facilities, and fund major maintenance obligations.

The University has \$1.7 billion invested in capital assets as of June 30, 2025, an increase of \$116.9 million net of accumulated depreciation and amortization over June 30, 2024. The increase is due primarily to the increase in construction in progress for the Health Sciences campus and increases related to leased and subscription assets. A summary of changes in capital assets is disclosed in Note 4.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

Capital assets, net of accumulated depreciation and amortization, at June 30, 2025, and June 30, 2024, were as follows:

Capital Assets

Dollars in thousands

	2025	2024	Percent Change
Land and Other Nondepreciable Assets	\$ 172,868	\$ 169,069	2.2%
Construction in Progress	121,940	35,610	242.4%
Land Improvements, <i>Net</i>	37,203	41,336	-10.0%
Buildings and Improvements, <i>Net</i>	1,228,107	1,236,704	-0.7%
Machinery, Equipment and Vehicles, <i>Net</i>	97,432	89,137	9.3%
Intangibles, <i>Net</i>	9,013	12,977	-30.5%
Leased and Subscription Assets, <i>Net</i>	73,998	38,836	90.5%
Total	\$ 1,740,561	\$ 1,623,669	7.2%

Capital projects consist of replacement, renovation, and new construction of academic, research, and athletic facilities, purchase of land, as well as significant investments in equipment and information systems.

Construction activity —Several projects are in progress on the Columbia campus including the new Health Sciences campus, Thornwell College Residence Hall, development of Medical Park – Brain Health Institute Building renovation and enhancement, energy plant enhancement and improvements, and Jones Biology Instructional Lab improvements and renovations. Maintenance work and other renovations are ongoing in Columbia and on the system campuses to preserve the functionality of the campuses' physical assets. Upstate campus has a renovation and expansion project for the Health Education Complex renovation, Library and Classroom Building renovation, and acquisition of the George Dean Johnson Building. Aiken campus has projects for renovations to include the Business and Education Building and constructing an Athletic Softball Facility and Soccer Field Infrastructure. All campuses have multiple projects for maintenance, renovation, and replacement due to the additional capital appropriations from the State.

Capital appropriations – The State has recognized the importance of the capital infrastructure and provided increased non-recurring appropriations and Capital Reserve Fund funding in fiscal year 2025 totaling \$137.7 million which includes funding for the following: \$13.3 million for maintenance, renovation, and replacement for University capital assets, \$100.0 million for the Health Sciences campus, and \$11.5 million for the Beaufort Convocation Center. The State also provided \$350.0 million in funding for the construction of the Neurological Critical Care and Rehabilitation Hospital for the Columbia campus.

Capital financing — During fiscal year 2025, the University had no capital financing transactions. See Note 9 for additional details.

The University completed a comprehensive annual rating review with both Moody's Investors Service and Fitch Ratings. Moody's and Fitch affirmed Aa2 and AA ratings, respectively for the University's outstanding bonds for Higher Education Revenue Bonds and Special Higher Education Revenue Bonds. Moody's affirmed Aa3 on outstanding Athletic Facilities Revenue Bonds.

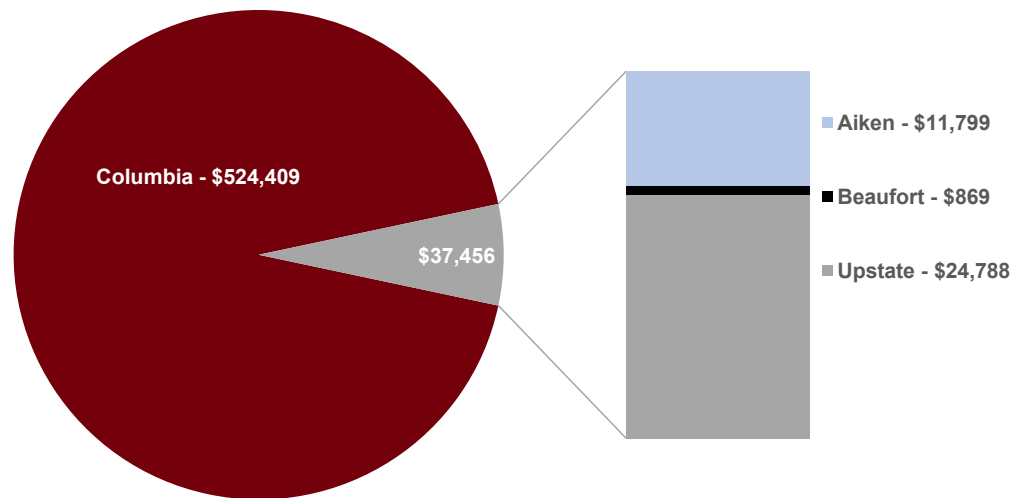
A comprehensive annual review of the University's current bond portfolio includes looking at current and future debt service and future bond maturities. The review includes looking for opportunities for refunding for all bond types, an analysis of the bond market, current interest rates, and a discussion on future bond issuances. This review of the University's portfolio helps identify and maximize future opportunities for savings.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

Debt management — The University's outstanding bond indebtedness on June 30, 2025, is \$561.9 million of which \$524.4 million or 93.3 percent of this debt is for the Columbia campus. The University's outstanding bond indebtedness decreased due to normal debt service payments during the fiscal year.

Outstanding Bonds Payable by Campus

Dollars in thousands



The University believes it is in compliance with all related bond covenants of its issued debt. See Statistical Section for coverage ratios and additional details.

CURRENT LIABILITIES

The University's increase in current liabilities of \$9.3 million is partially due to the increase in accounts payable and retainage payable related to capital project construction.

OTHER NONCURRENT ASSETS AND LIABILITIES

Excluding capital assets and accounts receivable discussed above, other noncurrent assets were \$101.0 million at June 30, 2025, and \$100.7 million at June 30, 2024, reflecting a 0.3 percent increase. Other noncurrent assets include restricted cash and cash equivalents, federal loan receivables, investments, and other assets. This increase is attributable to an increase in endowments.

Total noncurrent liabilities were \$2.7 billion at June 30, 2025, and \$2.5 billion at June 30, 2024. The noncurrent liabilities for 2025 include net OPEB liability of \$964.6 million, net pension liability of \$1.0 billion and \$625.0 million in bonds and notes payable. The overall increase in noncurrent liabilities is primarily due to the increase of \$184.3 million in net OPEB liabilities. For additional information on the change in net pension and OPEB, refer to Notes 5 and 6.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

NET POSITION

Net position represents the value of the University's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. The University's net position was \$1.2 billion at June 30, 2025, and \$608.5 million at June 30, 2024.

Net Position Summary

Dollars in thousands

			Increase (Decrease)	
	2025	2024	Amount	Percent Change
Net investment in capital assets	\$ 1,004,668	\$ 898,035	\$ 106,633	11.9%
Restricted for:				
Nonexpendable	90,917	91,292	(375)	-0.4%
Expendable	1,084,875	563,920	520,955	92.4%
Unrestricted	(970,250)	(944,796)	(25,454)	-2.7%
Total Net Position	\$ 1,210,210	\$ 608,451	\$ 601,759	98.9%

Net investment in capital assets represents the University's capital assets net of accumulated depreciation and amortization, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. The increase in net investment in capital assets of \$106.6 million is due to normal capitalization of assets offset by depreciation, amortization, and payments on debt.

Restricted nonexpendable net position represents the historical value (corpus) of the University's permanent endowments, which cannot be expended due to donor restrictions.

Restricted expendable net position includes spendable earnings on permanent and quasi-endowments, gifts, capital project funds, and loan funds that are subject to externally imposed restrictions governing their use. Restricted expendable net position increased \$521.0 million primarily due to Neurological Critical Care and Rehabilitation Hospital receivable of \$340.0 million and \$109.6 million of funding for the Health Science Campus.

Unrestricted net position includes all other activities that are both spendable and not subject to externally imposed restrictions. The majority of the University's unrestricted net position has been internally designated for the core mission activities of instruction and research and associated programs and initiatives, and capital projects that align with the University's highest priorities. The unrestricted net position demonstrates the impact of the GASB 68 and GASB 75 through the noncurrent liabilities of net pension liability of \$1.0 billion and OPEB liability of \$964.6 million which increased overall by \$180.2 million in the current year.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

Excluding the impact of GASB 68 and GASB 75 on unrestricted net position, the University's unrestricted net position was \$3.1 billion at June 30, 2025, and \$2.5 billion at June 30, 2024, reflecting an increase of \$586.6 million or 23.1 percent.

Net Position Excluding GASB 68 and GASB 75

Dollars in thousands

			Increase (Decrease)	
	2025	2024	Amount	Percent Change
Net investment in capital assets	\$ 1,004,668	\$ 898,035	\$ 106,633	11.9%
Restricted for:				
Nonexpendable	90,917	91,292	(375)	-0.4%
Expendable	1,084,875	563,920	520,955	92.4%
Unrestricted	941,267	981,920	(40,653)	-4.1%
Total Net Position excluding GASB 68 and GASB 75	\$ 3,121,727	\$ 2,535,167	\$ 586,560	23.1%

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. A public university's dependency on state and federal aid and gifts will result in operating deficits. GASB requires state appropriations, federal Pell grants, and gifts to be classified as nonoperating revenues. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation and amortization, which amortizes the cost of an asset over its expected useful life.

Changes in net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of the statement is to present the revenues received by the institution, both operating and nonoperating, and the expenses paid by the institution, operating and nonoperating, and any other revenues, expenses, gains and losses received or spent by the institution.

Operating revenues are received for providing goods and services to the various customers and constituencies of the institution. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the institution. Nonoperating revenues are revenues received for which goods and services are not provided. State capital appropriations and capital grants and gifts are revenue sources with restrictions to be used on capital projects and capital initiatives and are considered neither operating nor nonoperating revenues and are presented as standalone sources according to GASB.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

The Statement of Revenues, Expenses and Changes in Net Position presents the University's results of activities for the year. Presented below is a summarized condensed statement for the years ended June 30, 2025, and June 30, 2024:

Condensed Statement of Revenues, Expenses and Change in Net Position

Dollars in thousands

	2025	2024	Increase (Decrease)	
			Amount	Percent
<i>Operating Revenues:</i>				
Student Tuition and Fees, Net	\$ 610,709	\$ 580,826	\$ 29,883	5.1%
Grants and Contracts	438,125	416,796	21,329	5.1%
Sales and Services, Net	290,370	261,660	28,710	11.0%
Other Operating Revenues	20,291	22,596	(2,305)	-10.2%
Total Operating Revenues	1,359,495	1,281,878	77,617	6.1%
Operating Expenses	1,819,355	1,682,473	136,882	8.1%
Operating Loss	(459,860)	(400,595)	(59,265)	14.8%
<i>Nonoperating Revenues (Expenses):</i>				
State and Local Appropriations	428,539	431,466	(2,927)	-0.7%
Federal Grants	80,719	61,079	19,640	32.2%
Gifts	49,052	59,812	(10,760)	-18.0%
Investment and Endowment Income (Loss)	43,769	24,387	19,382	79.5%
Nonoperating Expenses	(32,886)	(32,640)	(246)	0.8%
Net Nonoperating Revenues	569,193	544,104	25,089	4.6%
Income before Other Revenues	109,333	143,509	(34,176)	-23.8%
Capital Appropriations	487,675	88,463	399,212	451.3%
Capital Grants and Gifts	4,691	50,597	(45,906)	-90.7%
Additions to Permanent Endowments	60	4,437	(4,377)	-98.6%
Increase in Net Position	601,759	287,006	314,753	109.7%
Net Position - July 1	608,451	321,445	287,006	89.3%
Net Position - June 30	\$ 1,210,210	\$ 608,451	\$ 601,759	98.9%

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

OPERATING REVENUES

Operating revenues represent resources generated by the University in fulfilling its instruction, research, and public service missions.

Student Tuition and Fees — Student tuition and fees (net) for fiscal year 2025 increased 5.1 percent over the prior year. Student tuition and fees are reported net of scholarship discounts, which totaled \$610.7 million for fiscal year 2025 and \$580.8 million for the prior year. Tuition rates for fiscal year 2025 did not increase.

Sales and Services — Sales and services, net revenues increased 11.0 percent or \$28.7 million in fiscal year 2025 and includes the revenues of campus auxiliary and educational operations (student housing, campus health services, parking and transportation, athletics, study abroad, and campus events).

Grants and Contracts — Revenues and expenditures from all sponsored projects increased in fiscal year 2025 reflecting a continued upward trajectory which aligns with University priorities to increase research with an increase in revenue of \$21.3 million or 5.1 percent.

Federal Grants and contract revenues increased 10.8 percent in fiscal year 2025 due to increased activities and projects related to sponsored awards. Sponsored project funding comes in the form of grants and contracts awarded by federal and state agencies, foundations and other nonprofit organizations, corporations and associations, with the federal government providing the majority of the awards. Securing sponsored program funding has become increasingly competitive. A key factor in dealing with such competitive pressures is diversifying funding sources and bringing in more awards from foundations and private industry.

The National Institutes of Health (NIH) remained the University's single largest funding source, with expenditures totaling \$63.1 million in fiscal year 2025 compared to \$63.2 million in fiscal year 2024. The NIH's strong and ongoing support reflects positively on the University's health-related professional schools (public health, medicine, nursing, and pharmacy), and basic and social science units in the College of Arts & Sciences.

The University's other top sponsored program expenditures were funded by the National Science Foundation at \$20.8 million; the U.S. Department of Energy at \$9.7 million; the Health Resources and Services Administration (HRSA) at \$8.8 million; the U.S. Department of Defense at \$9.3 million; the U.S. Department of Commerce at \$9.3 million; the U.S. Department of Education at \$11.9 million; the Centers for Disease Control and Prevention (CDC) at \$2.7 million; Office of Naval Research (ONR) at \$3.9 million; the U.S. Department of State at \$2.8 million; Small Business Administration at \$2.3 million, and the U.S. National Aeronautics and Space Administration at \$1.9 million.

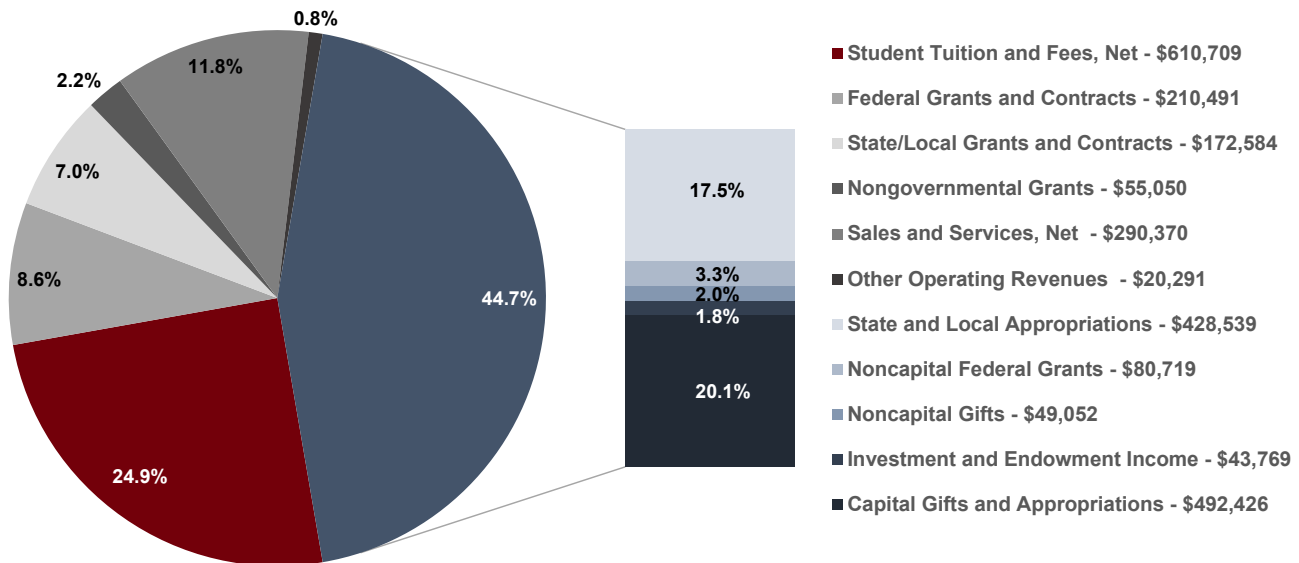
UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

REVENUES AND OTHER SOURCES OF OPERATIONAL FUNDING

The revenues below were used to fund the University's operating activities for the fiscal year ended June 30, 2025. As noted earlier, GASB requires state appropriations, current gifts, and federal Pell grants to be reported as nonoperating revenues. Endowment and investment earnings and losses can fluctuate and vary greatly from year to year with market gains and losses. However, they are an important funding source for current operations and are included in the chart below to present a more accurate picture of the University's funding for current operations.

Revenues by Source

Dollars in thousands



Net student tuition and fees, and grants and contracts were the largest revenues providing 24.9 percent and 17.8 percent respectively. Sales and services, net revenue was 11.8 percent.

State appropriations, noncapital gifts and grants, federal Pell funds, and net investment income are considered nonoperating because they are not generated by the University's principal, ongoing operations. State appropriations are provided from the State of South Carolina annually to help fund education and general operating expenses. State and local appropriations revenue totaled \$428.5 million for fiscal year 2025, a decrease of \$3.0 million from the \$431.5 million received during the prior year.

Noncapital gifts decreased \$10.8 million and nonoperating federal grants increased \$19.6 million which is attributed to the increase in federal Pell grants. The University's investments and endowments are held and invested by the South Carolina State Treasurer's Office and increased by \$19.4 million. Investment income includes investment yield and realized and unrealized gains and losses, net of investment management fees. Capital Gifts and Appropriations increased by \$350.0 million primarily due to the investment from the State to construct the Neurological Critical Care and Rehabilitation Hospital.

UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

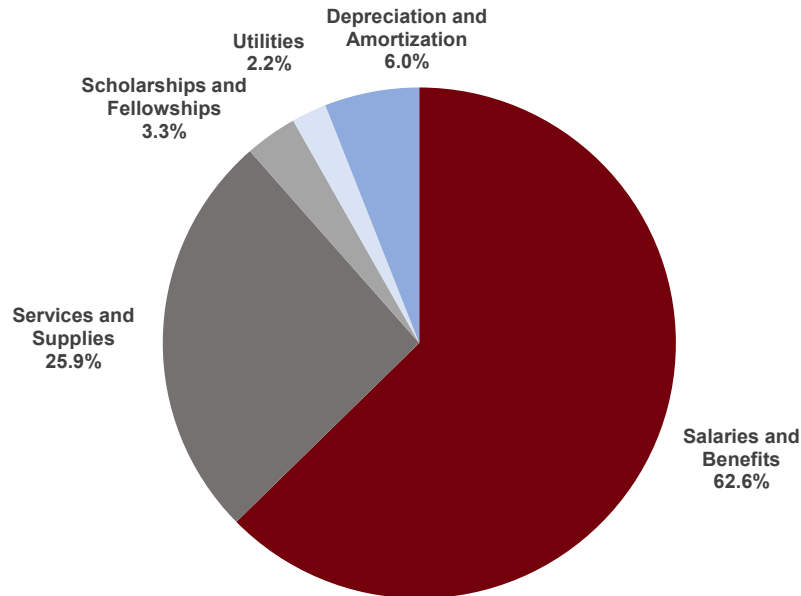
OPERATING EXPENSES

The University's operating expenses were \$1.8 billion for the fiscal year ended June 30, 2025, an increase of 8.1 percent from the prior year. The salary and benefits increase of \$108.7 million is due to a cost-of-living adjustment for employees and State employer benefits increase. The services and supplies increase of \$27.1 million is due to inflation. The scholarship and fellowship increase of \$11.2 million is due primarily to federal Pell grants and general scholarships for need-based students. The depreciation and amortization decrease of \$10.0 million is due primarily to a decrease in building depreciation related to public private partnership arrangements.

Operating Expenses by Natural Classification

Dollars in thousands

	2025	2024	Increase (Decrease)	
			Amount	Percent
Salaries and Benefits	\$ 1,140,059	\$ 1,031,392	\$ 108,667	10.5%
Services and Supplies	470,588	443,503	27,085	6.1%
Utilities	40,197	40,227	(30)	-0.1%
Scholarships and Fellowships	59,993	48,806	11,187	22.9%
Depreciation and Amortization	108,518	118,545	(10,027)	-8.5%
Total Operating Expenses	\$ 1,819,355	\$ 1,682,473	\$ 136,882	8.1%



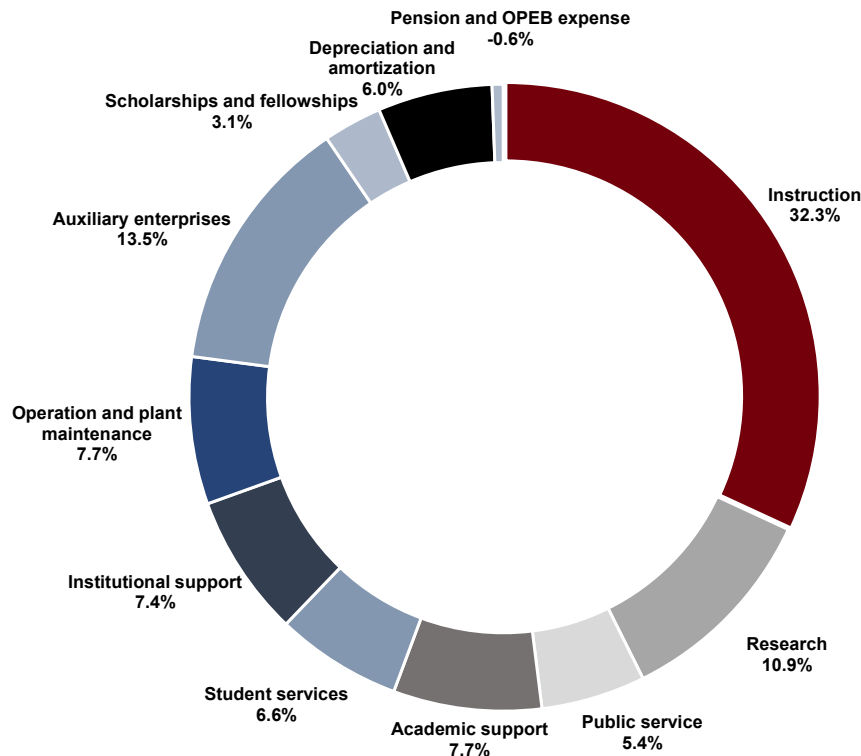
UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

Instruction and research have historically represented the largest non-auxiliary functional expense categories: 43.2 percent of total operating expenses in fiscal year 2025 and 44.6 percent in fiscal year 2024. The next largest functional category, auxiliary expenses, represented 13.5 percent of total operating expenses in fiscal year 2025 and 13.3 percent in fiscal year 2024. The pension and OPEB expense represents the adjustment needed to properly reflect the net pension liability and OPEB liability in accordance with GASB Statements No. 68 and 75. The negative pension and OPEB expense in the current fiscal year is attributable to actuarial fluctuations as provided in the State's pension and OPEB audit. See Notes 5 and 6 for additional details. Across all functional categories, salaries and benefits represent the largest component followed by services and supplies.

Operating Expenses by Function

Dollars in thousands

			Increase (Decrease)	
	2025	2024	Amount	Percent
Instruction	\$ 587,269	\$ 563,004	\$ 24,265	4.3%
Research	197,959	186,458	11,501	6.2%
Public service	98,680	94,382	4,298	4.6%
Academic support	140,549	128,346	12,203	9.5%
Student services	119,341	105,169	14,172	13.5%
Institutional support	135,324	130,591	4,733	3.6%
Operation and plant maintenance	139,844	128,608	11,236	8.7%
Auxiliary enterprises	246,692	223,681	23,011	10.3%
Scholarships and fellowships	55,672	43,540	12,132	27.9%
Depreciation and amortization	108,518	118,544	(10,026)	-8.5%
Pension and OPEB expense	(10,493)	(39,850)	29,357	-73.7%
Total Operating Expenses	\$ 1,819,355	\$ 1,682,473	\$ 136,882	8.1%



UNIVERSITY OF SOUTH CAROLINA
Management's Discussion and Analysis
(Unaudited)

ECONOMIC OUTLOOK

The economic position of the University remains robust as evidenced by consistent operating revenue growth, strong demand for enrollment, and stable, manageable changes in operating expenditures. As a state-supported higher education institution, the University's economic position is closely tied to the State of South Carolina. The State finished the fiscal year 2025 on a very positive note with full funding of the State's Rainy-Day Fund at 5.5 percent of the prior year's General Fund Revenues and fully funded the Capital Reserve Account at 3 percent of the prior year's General Fund Revenues.

South Carolina's unemployment rate was 4.1 percent at the end of June 2025, which was 0.5 percent higher than June 2024. The national average was 4.1 percent and South Carolina ranked 26th, compared to other states, per the U.S. Bureau of Labor Statistics. According to the Economic Outlook, published by the South Carolina Department of Commerce, trends in non-farm jobs continue to be positive for the state with the most recent increase in June totaling 5,800, with the largest gains in leisure and hospitality services and trade, transportation, and utilities.

The University's overall financial position remains strong and stable. For fiscal year 2025, the University has received additional state funding to support academic initiatives that promote access and affordability through tuition mitigation for residents of South Carolina and continued funding to support the maintenance and capital needs of our campuses. The University relies on tuition and fees to support the general operating budget, with added state support for tuition mitigation for fiscal year 2026 for the eighth year. For fiscal year 2026, the University of South Carolina did not have a tuition increase. An average increase of 5.3 percent in student housing and 5.3 percent in dining plans will be used to improve dining, housing, and student life facilities.

Student interest in the University remains strong and demand for enrollment continues to grow, with a record number 59,637 applications received for the Fall 2025 freshman class, an increase of 13% over last year's record. Preliminary data indicates approximately 9,896 new undergraduate students on the Columbia campus, of which 7,821 are new freshmen, the largest freshman class in University history. Student success is also at an all-time high, with a freshman to sophomore retention rate climbing to 92.5% for the first time. As a result of these gains, overall enrollment for the Columbia campus stands at 40,320, the highest ever in University history, and for the University System at 58,509. Both are increases of over 4% from last Fall 2024's record enrollment highs for Columbia and the USC System.

University of South Carolina students from the state are eligible for tuition assistance based on entrance exams, rank in class, and GPA. The State funding commitment for merit scholarships remains strong with funding from the South Carolina Education Lottery. Students at the University campuses annually receive more than \$124.8 million across the different scholarship programs.

The University achieved its most successful fundraising year in history, security of almost \$260.0 million in private support during the fiscal year 2025. This included the largest single gift in university history of \$75.0 million to rename and transform the McCausland College of Arts and Sciences.

The University is classified as an R1 University by the Carnegie Classification for Institutions of Higher Education. Research grant awards were \$323.2 million in the fiscal year 2025. Awards in fiscal year 2026 are up 13.2 percent to date and are estimated to surpass 2025.

The University's Columbia campus makes up approximately 96.0 percent of total research awards or approximately \$308.2 million. University researchers were particularly successful in competing for federal research funds, which totaled \$241.0 million in fiscal year 2025.

The University's total endowment is currently \$910.5 million, with \$789.1 million held by the University Foundations. The endowment is comprised of a mix of unrestricted funds, quasi endowed, term-endowed, and permanently endowed funds.

UNIVERSITY OF SOUTH CAROLINA
Statement of Net Position
As of June 30, 2025

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,095,546,672
Restricted - cash and cash equivalents	625,622,313
Accounts receivable, net	307,221,873
Inventories	2,566,650
Prepaid items	1,840,098
Funds due from others	3,763,793
Total current assets	2,036,561,399

Noncurrent assets:

Restricted - cash and cash equivalents	89,479,651
Investments	4,494,475
Accounts receivable	239,044,742
Prepaid items	1,100,000
Restricted - federal student loans receivable	4,339,950
Capital assets, net	1,740,560,689
Other assets	1,594,257
Total noncurrent assets	2,080,613,764
Total assets	4,117,175,163

DEFERRED OUTFLOWS OF RESOURCES

Deferred loss on debt refunding	12,079,702
Deferred outflows related to net OPEB liability	305,148,978
Deferred outflows related to net pension liability	190,335,288
Total deferred outflows of resources	507,563,968

LIABILITIES

Current liabilities:

Accounts payable	36,936,385
Accrued interest payable	5,295,529
Accrued payroll and related liabilities	42,779,213
Accrued compensated absences - current portion	36,940,094
Lease and subscription obligations - current portion	23,327,765
Bonds and notes payable - current portion	39,262,793
Unearned revenues	44,439,402
Deposits	2,414,447
Other liabilities	688,467
Funds held for others	7,899,294
Total current liabilities	239,983,389

Noncurrent liabilities:

Accrued compensated absences	10,591,338
Federal loan liability	5,032,017
Lease and subscription obligations	46,690,346
Bonds and notes payable	624,996,695
Net OPEB liability	964,648,510
Net pension liability	1,029,288,675
Total noncurrent liabilities	2,681,247,581
Total liabilities	2,921,230,970

UNIVERSITY OF SOUTH CAROLINA
Statement of Net Position
As of June 30, 2025

DEFERRED INFLOWS OF RESOURCES

Deferred gain on debt refunding	10,088,755
Deferred inflows related to leases	48,940,000
Deferred inflows related to public private partnerships	21,205,018
Deferred inflows related to net OPEB liability	370,265,824
Deferred inflows related to net pension liability	42,798,768
Total deferred inflows of resources	493,298,365

NET POSITION

Net investment in capital assets	1,004,668,007
Restricted for:	
Nonexpendable	90,916,810
Expendable	
Scholarships, research, instruction, and other	105,683,735
Loans	904,407
Capital projects	974,798,503
Debt service	3,488,175
Unrestricted	(970,249,841)
Total net position	\$ 1,210,209,796

UNIVERSITY OF SOUTH CAROLINA
Statement of Revenues, Expenses and Changes in Net Position
For the year ended June 30, 2025

OPERATING REVENUES

Student tuition and fees (\$39,817,470 pledged for bonds)	\$ 1,013,481,261
Less: scholarship allowance	(402,771,808)
Federal grants and contracts	210,490,748
State grants and contracts	171,698,868
Local grants and contracts	884,850
Nongovernmental grants and contracts	55,050,278
Sales and services of educational and other activities	38,393,976
Sales and services of auxiliary enterprises (\$35,725,194 pledged for bonds)	263,400,223
Less: scholarship allowance	(11,424,600)
Interest collected on student loans	122,948
Other fees (\$6,729,775 pledged for bonds)	16,648,209
Other operating revenues	3,519,802
Total operating revenues	1,359,494,755

OPERATING EXPENSES

Salaries and wages	833,154,146
Fringe benefits	306,905,894
Services and supplies	470,587,609
Utilities	40,196,761
Scholarships and fellowships	59,992,524
Depreciation and amortization expense	108,518,392
Total operating expenses	1,819,355,326
Operating loss	(459,860,571)

NONOPERATING REVENUES (EXPENSES)

State appropriations	424,705,748
Local appropriations	3,833,569
Federal grants	80,718,732
Gifts	49,052,143
Investment income	36,095,009
Endowment income	7,674,124
Loss on disposal of capital assets	(6,722,252)
Interest on capital asset related debt	(26,164,124)
Net nonoperating revenues	569,192,949
Income before other revenues	109,332,378

State capital appropriations	487,674,999
Capital grants and gifts	4,691,105
Additions to permanent endowments	60,139

Change in net position	601,758,621

NET POSITION, BEGINNING OF YEAR	608,451,175

NET POSITION, END OF YEAR	\$ 1,210,209,796

University of South Carolina
Statement of Cash Flows
For the Year Ended June 30, 2025

OPERATING ACTIVITIES

Student tuition and fees	\$ 608,693,368
Grants and contracts	438,857,812
Sales and services of educational and other activities	39,496,132
Sales and services of auxiliary enterprises	223,573,895
Student loans disbursed	(371,195)
Student loans collected	879,065
Interest collected on student loans	122,948
Inflows from federal direct student loans	296,745,910
Outflows from federal direct student loans	(296,745,910)
Payments to employees for services	(826,091,592)
Payments to employees for benefits	(322,992,256)
Payments to suppliers	(505,670,093)
Payments to students for scholarships and fellowships	(59,992,524)
Other receipts	20,519,429
Inflows from funds due to and held for others	41,440,044
Outflows from funds due to and held for others	<u>(43,514,515)</u>
Net cash used by operating activities	<u>(385,049,482)</u>

NONCAPITAL FINANCING ACTIVITIES

State and local appropriations	428,539,317
Federal grants	80,720,675
Gifts	48,683,535
Additions to permanent endowments	60,139
Federal loan liability	<u>(671,312)</u>
Net cash provided by noncapital financing activities	<u>557,332,354</u>

CAPITAL AND RELATED FINANCING ACTIVITIES

State capital appropriations	140,510,149
Capital grants and gifts	487,994
Purchase and construction of capital assets	(160,525,734)
Principal paid on capital asset related debt	(66,365,592)
Interest paid on capital asset related debt	<u>(32,181,416)</u>
Net cash used by capital and related financing activities	<u>(118,074,599)</u>

INVESTING ACTIVITIES

Investment income	33,602,040
Endowment income	<u>8,010,750</u>
Net cash provided by investing activities	<u>41,612,790</u>
Net increase in cash and cash equivalents	<u>95,821,063</u>

Cash and cash equivalents, beginning of year

1,714,827,573

Cash and cash equivalents, end of year

\$ 1,810,648,636

Reconciliation of cash and cash equivalents

Cash and cash equivalents	\$ 1,095,546,672
Restricted - cash and cash equivalents, current	625,622,313
Restricted - cash and cash equivalents, noncurrent	<u>89,479,651</u>
	<u>\$ 1,810,648,636</u>

University of South Carolina
Statement of Cash Flows
For the Year Ended June 30, 2025

**Reconciliation of net operating loss to net cash
used by operating activities**

Operating loss	\$ (459,860,571)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	108,518,392
Student loans cancelled	177,097
Change in current assets and liabilities:	
Accounts receivable, net	(6,269,770)
Student loans receivable	507,870
Inventories and prepaid items	44,222
Accounts payable	4,892,958
Accrued payroll	2,699,686
Accrued benefits	(888,233)
Accrued compensated absences	4,316,180
Unearned revenues	(18,800,450)
Other liabilities and deposits	(488,103)
Accrued benefits related to net pension liability	(19,508,878)
Accrued benefits related to OPEB	4,310,749
Change in deferred inflows due from lessor payments	(2,636,056)
Funds held for and due from others	(2,064,575)
Net cash used by operating activities	<u><u>\$ (385,049,482)</u></u>

SIGNIFICANT NONCASH TRANSACTIONS

Gifts of capital assets reducing proceeds of capital grants and gifts	<u><u>\$ 3,104,096</u></u>
Net change in capital grants and gifts receivable and unearned revenues	<u><u>\$ 341,104,216</u></u>
Loss on disposal of capital assets, net	<u><u>\$ (6,721,141)</u></u>
Capital assets acquired through leases and subscriptions	<u><u>\$ 66,816,042</u></u>
Change in value of investments and other assets recognized in endowment and investment income	<u><u>\$ (336,625)</u></u>

UNIVERSITY OF SOUTH CAROLINA
Nongovernmental Discretely Presented Component Units
Statements of Financial Position
June 30, 2025

	USC Development Foundation	USC Educational Foundation	USC Business Partnership Foundation	Total
ASSETS				
Cash and cash equivalents	\$ 2,982,024	\$ 8,728,064	\$ 4,751,262	\$ 16,461,350
Investments	37,707,570	738,791,903	166,641,160	943,140,633
Real estate held for investment	47,367,743	-	-	47,367,743
Assets held by others	-	5,904,968	-	5,904,968
Accounts receivable, net	768,684	13,559,704	1,009,210	15,337,598
Contributions receivable, net	368,747	89,939,614	672,222	90,980,583
Prepaid expenses	-	4,780	28,915	33,695
Other assets	1,996,878	251	100,482	2,097,611
Fixed assets, net	317,660,311	-	-	317,660,311
Total assets	\$ 408,851,957	\$ 856,929,284	\$ 173,203,251	\$ 1,438,984,492
LIABILITIES				
Accounts payable and accrued expenses	\$ 17,056,818	\$ 4,244,135	\$ 946,834	\$ 22,247,787
Lines of credit	12,007,352	-	-	12,007,352
Advances from others	7,380,942	-	-	7,380,942
Bonds, notes, and other payables	294,778,762	16,367,222	-	311,145,984
Other liabilities	487,100	14,504,716	-	14,991,816
Total liabilities	331,710,974	35,116,073	946,834	367,773,881
NET ASSETS				
Without donor restrictions	66,273,018	126,376,270	84,680,714	277,330,002
With donor restrictions	10,867,965	695,436,941	87,575,703	793,880,609
Total net assets	77,140,983	821,813,211	172,256,417	1,071,210,611
Total liabilities and net assets	\$ 408,851,957	\$ 856,929,284	\$ 173,203,251	\$ 1,438,984,492

See Notes to the Financial Statements

UNIVERSITY OF SOUTH CAROLINA
Nongovernmental Discretely Presented Component Units
Statements of Activities
For the year ended June 30, 2025

	USC Development Foundation	USC Educational Foundation	USC Business Partnership Foundation	Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
Revenues, gains and other support				
Contributions	\$ 10,951,907	\$ 30,657,646	\$ 2,966,365	\$ 44,575,918
Investment returns	2,975,795	3,089,219	10,015,397	16,080,411
Net realized and unrealized gains	-	19,426,035	-	19,426,035
Earned income	19,395,390	-	4,751,018	24,146,408
Other	1,913,757	1,567,208	-	3,480,965
Net assets released from restrictions:				
Transfers	-	-	1,125,337	1,125,337
Satisfaction of program restrictions	153,003	54,248	3,552,165	3,759,416
Expiration of time restrictions	-	23,612,052	-	23,612,052
Total revenues, gains and other support	35,389,852	78,406,408	22,410,282	136,206,542
Expenses				
Scholarships and student assistance	-	20,851,322	3,801,708	24,653,030
Program services	18,239,496	44,083,224	10,559,634	72,882,354
Supporting services	1,394,829	6,171,410	1,193,531	8,759,770
Total expenses	19,634,325	71,105,956	15,554,873	106,295,154
Excess revenues over expenses	15,755,527	7,300,452	6,855,409	29,911,388
Interest rate swap fair value adjustment	(2,366,370)	-	-	(2,366,370)
Change in net assets without donor restrictions	\$ 13,389,157	\$ 7,300,452	\$ 6,855,409	\$ 27,545,018
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS				
Contributions	\$ 206,317	\$ 72,587,145	\$ 3,002,407	\$ 75,795,869
Investment returns	99,284	8,522,769	9,365,655	17,987,708
Net realized and unrealized gains	-	52,931,415	-	52,931,415
Other	-	309,327	-	309,327
Net assets released from restrictions:				
Transfers	-	-	(1,125,337)	(1,125,337)
Satisfaction of program restrictions	(153,003)	(54,248)	(3,552,165)	(3,759,416)
Expiration of time restrictions	-	(23,612,052)	-	(23,612,052)
Change in net assets with donor restrictions	152,598	110,684,356	7,690,560	118,527,514
Change in net assets	13,541,755	117,984,808	14,545,969	146,072,532
NET ASSETS, BEGINNING OF YEAR	63,599,228	703,828,403	157,710,448	925,138,079
NET ASSETS, END OF YEAR	\$ 77,140,983	\$ 821,813,211	\$ 172,256,417	\$ 1,071,210,611

See Notes to the Financial Statements

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations - The University of South Carolina (the University) is a State-supported, coeducational institution of higher education. The University's primary purpose is to provide undergraduate, graduate, and professional education to students and conduct research and other activities that advance fundamental knowledge.

Reporting Entity - The financial reporting entity, as defined by Governmental Accounting Standards Board (GASB) Codification Section 2100, *Defining the Financial Reporting Entity*, consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. GASB Codification Section 2600, *Reporting Entity and Component Unit Presentation and Disclosure*, provides criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship with a primary government and classifies reporting requirements for those organizations. The financial statements include the University as the primary government and other related entities as discretely presented component units based on the nature and significance of their relationship to the University. The University's discretely presented component units are discussed further in Note 11.

The University is composed of the Columbia campus, including the Columbia School of Medicine, the Greenville School of Medicine, and seven system campuses. The University is a component unit of the State of South Carolina (the State). As a discretely presented component unit of the State, the University is financially accountable to and fiscally dependent on the State. Its Board of Trustees is appointed by the Governor and/or is elected by the General Assembly of the State.

Financial Statements - The financial statement presentation for the University meets the requirements of GASB Codification Sections 2100-2900, *Financial Reporting*, and Co5, *Universities*. The financial statement presentation provides a comprehensive, entity-wide perspective of the University's net position, revenues, expenses and changes in net position and cash flows.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and affect disclosure of contingent assets and liabilities at the date of the financial statements. Significant estimates used include separation of accrued compensated absences between current and noncurrent and depreciation and amortization expense. Estimates are also used for the net OPEB and net pension liabilities as calculated by the South Carolina Public Employee Benefit Authority (PEBA). Actual results could differ from those estimates.

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

Cash and Cash Equivalents - For purposes of the statement of cash flows, the University considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The University participates in the State's internal cash management pool, administered by the State Treasurer. Because the cash management pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. For credit risk information pertaining to the cash management pool, see the deposits disclosures in Note 2.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The State's internal cash management pool consists of a general deposit account and several special deposit accounts. The State records each fund's equity interest in the general deposit account; however, all earnings on that account are credited to the General Fund of the State. The University reports its deposits in the general deposit account at cost and its special deposit accounts at fair value. Interest earned, including interest income, by the University's special deposit accounts is posted at the end of each month based on the percentage of the University's accumulated daily income receivable to the total income receivable of the pool. Unrealized gains and losses are allocated at year end based on the percentage of ownership in the pool.

Investments - The University accounts for its investments at fair value in accordance with GASB Codification Section 150, *Investments*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment or endowment income in the statement of revenues, expenses, and changes in net position.

Accounts Receivable - Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also include amounts due from the Federal, State, and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Student accounts receivable is recorded net of estimated uncollectible amounts. Receivables related to lessor agreements, public-private partnership arrangements, as well as State capital appropriations are also included in accounts receivable.

Inventories – Inventories for internal use are valued at cost. Inventories for resale are carried at the lower of cost or market. Items accounted for as University inventories use the weighted average and FIFO (first in, first out) methods.

Noncurrent Cash and Investments - Noncurrent cash and investments primarily consist of permanently endowed funds and federal student loan funds. These funds are externally restricted and are classified as restricted noncurrent assets in the statement of net position.

Prepaid Items - Expenditures for services paid for in the current or prior fiscal years and benefiting more than one accounting period are allocated among accounting periods. Amounts reported in this asset account consist primarily of maintenance, license, parking and service agreements, prepaid travel and participant cards, and deposits.

Capital Assets - Capital assets are recorded at cost at the date of acquisition. Donated capital assets, donated works of art, historical treasures and similar assets are recorded at acquisition value. The University follows capitalization guidelines established by the State. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions and renovations and other improvements that add to the usable space, prepare existing buildings for new uses, or extend the useful life of an existing building are capitalized. The University capitalizes movable personal property and leased assets with a unit value in excess of \$5,000 and depreciable land improvements, buildings and improvements, and intangible assets costing in excess of \$100,000. Routine repairs and maintenance and library materials, except individual items costing in excess of \$5,000, are charged to operating expenses in the year in which the expense was incurred.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, generally 3 to 60 years for buildings and improvements and land improvements; 2 to 25 years for machinery, equipment, and vehicles; and 3 to 10 years for intangibles. A full month of depreciation or amortization is taken the month the asset is placed in service and no depreciation or amortization is taken in the month of disposition.

Leased assets are initially measured as the sum of the present value of expected payments over the term of the lease and are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the asset. Subscription-based information technology arrangements (SBITA) assets are initially measured as the present value of expected payments over the term of the subscription. The University capitalizes SBITAs with a value in excess of \$100,000. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Leases and Subscription Arrangements – The University determines if an agreement is a lease or a subscription-based information technology arrangement at inception.

Lessee agreements are included in the statement of net position as capital assets (lease assets) and lease obligations. Lease assets represent the University's right to use an asset for the specified lease term. Lease assets and liabilities are recorded based on the present value of expected payments over the term of the leases. In accordance with University policy, payments on leases with a term of 12 months or less or leases with a present value of \$5,000 (for equipment leases) and \$100,000 (for property leases) or less are expensed as incurred. These leases are not included in assets or liabilities on the statement of net position.

Lessor agreements are included in the statement of net position as accounts receivable (lease receivables) and deferred inflows of resources. All lessor agreements are property leases. Leases receivable represent the University's claim to receive lease payments for the specified lease term and are recorded based on the present value of expected lease payments over the term of the leases. Interest revenue and deferred inflows of resources related to leases are recognized as revenue over the lease term. In accordance with University policy, payments received on leases with a term of 12 months or less or leases with a present value of \$100,000 or less are recognized as revenue as received. These leases are not included in accounts receivable or deferred inflows of resources on the statement of net position.

SBITAs are included in the statement of net position as capital assets and subscription obligations. SBITAs represent the University's right to use subscription-based information technology. SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. In accordance with University policy, payments on SBITAs with a term of 12 months or less or with a present value of \$100,000 or less are expensed as incurred. These SBITAs are not included in assets or liabilities on the statement of net position.

Public-Private Partnership Arrangements (PPP) - a PPP is an arrangement in which the University (the transferor) contracts with an operator (a private entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The University has PPP arrangements for catering, food services, and bookstore operations. In these arrangements the underlying assets (buildings) were existing assets of the University. Therefore, the University continues to recognize the underlying PPP assets and has also recognized a receivable and a deferred inflow of resources based on the present value of the payments expected to be received under the terms of the contracts.

Unearned Revenues and Deposits - Unearned revenues include amounts billed for tuition and fees and certain auxiliary activities (including, but not limited to, athletic ticket sales and parking revenues) prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Deposits represent dormitory room deposits, security deposits for possible room damage and key loss, and other miscellaneous deposits. Student deposits are recognized as revenue during the semester for which the fee is applicable and earned when the deposit is nonrefundable to the student.

Compensated Absences - Employee vacation pay expense is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as accrued compensated absences in the statement of net position, and as a component of compensation and benefit expense in the statement of revenues, expenses and changes in net position.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Funds Due From Others and Funds Held for Others - Current balances in Funds Due from Others and Funds Held for Others represent custodial funds held by or owed to the University on a short-term basis (three months or less) for groups and organizations that account for activities in the University accounting system and whose cash is part of the cash held on deposit with the State.

Noncurrent Liabilities - Noncurrent liabilities include (1) principal amounts of bonds, notes, leases, and subscriptions payable with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; and (3) net pension and net OPEB liabilities.

Deferred Outflows of Resources - The consumption of net assets that is applicable to future reporting periods. The University's deferred outflows of resources consist of (1) deferred loss on debt refunding – the defeasance of previously outstanding bonds resulted in deferred refunding losses. These deferred losses are recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter; (2) net pension and net OPEB liabilities – increases in net pension and net OPEB liabilities that were not included in expenses. Also, employer contributions subsequent to the measurement date of the net pension and net OPEB liabilities are reported as deferred outflows of resources.

Deferred Inflows of Resources - The acquisition of net assets that is applicable to future reporting periods. The University's deferred inflows of resources consist of decreases in the net pension and net OPEB liabilities that were not included in expenses, deferred gain on debt refunding and deferred inflows related to leases and PPP arrangements.

Net Position - Components of the University's net position are classified as follows:

Net investment in capital assets: This represents the University's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

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

Restricted - expendable: The restricted expendable component of net position includes resources which the University is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Unrestricted: The unrestricted component of net position presents all resources not included in net investment in capital assets or restricted categories.

When an expense is incurred that can use both restricted and unrestricted resources the expense is first applied to restricted resources then to unrestricted resources.

Income Taxes - The University is a political subdivision of the State and, is therefore, generally exempt from federal and state income taxes under applicable federal and state statutes and regulations on related income. Certain activities of the University may be subject to taxation as unrelated business income.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Classification of Revenues - The University has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues: Operating revenues generally result from exchange transactions to provide goods or services related to the University's principal ongoing operations.

These revenues include:

- (1) student tuition and fees received in exchange for providing educational services, housing, and other related services to students;
- (2) receipts for scholarships where the governmental agency has identified the qualified student recipients;
- (3) fees received from organizations and individuals in exchange for miscellaneous goods and services provided by the University;
- (4) contracts that are essentially the same as contracts for services that finance programs the University would not otherwise undertake; and
- (5) payment by grants from governmental and non-governmental entities for the purpose of conducting research activities.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions. These revenues include appropriations, federal Pell grants, gifts and contributions, investment income, and any other grants and contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital purposes.

Scholarship Discounts and Allowances - Student tuition and fee revenues, and certain other revenues from students, are reported with related scholarship discounts and allowances in the statement of revenues, expenses and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf.

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

Governmental units that issue no more than \$5 million in total of all such debt in a calendar year are exempt from the rebate requirements. For this purpose, tax-exempt indebtedness includes bonds and certain capital leases and installment purchases. Rebates are payable every five years or at maturity of the debt, whichever is earlier. However, the potential liability is calculated annually for financial reporting purposes. The University had no rebatable arbitrage liability at June 30, 2025.

Donor-Restricted Endowments - Endowments are subject to restrictions requiring that the principal be invested and that only the income be used for specific purposes. If a donor has not provided specific timing instructions, state law permits the Board of Trustees to authorize for expenditure the endowment's net appreciation. Any net appreciation that is spent is required to be spent for the purpose for which the endowment was established. The University has a total return policy for authorizing and spending endowment income.

New Accounting Pronouncements

The University monitored and reviewed new standards issued by GASB during the fiscal year, none of which had a material impact on the University's financial statements for the year ended June 30, 2025.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

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

Most deposits and investments of the University are under the control of the State Treasurer who, by law, has sole authority for investing State funds. Certain deposits and investments are deposited with or managed by financial institutions and brokers as restricted by donors.

The following schedule reconciles deposits and investments within the notes to the statement of net position amounts:

Statement of Net Position

Cash and cash equivalents (current)	\$ 1,095,546,672
Restricted cash and cash equivalents (current) for:	
Debt service	9,454,365
Scholarship, research, instruction, and other	111,221,500
University administered loans	165,228
Capital projects	504,781,220
	<u>625,622,313</u>
Restricted cash and cash equivalents (noncurrent) for:	
Endowments	86,516,380
Federal student loans	1,433,470
Debt service reserves	1,529,801
	<u>89,479,651</u>
Investments (noncurrent)	<u>4,494,475</u>
Total	<u>\$ 1,815,143,111</u>

Disclosure, Deposits and Investments

Cash on hand	\$ 75,189
Deposits held by State Treasurer	1,810,573,447
Investments held by State Treasurer	3,097,202
Other investments	1,397,273
Total	<u>\$ 1,815,143,111</u>

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 2 - CASH AND CASH EQUIVALENTS, OTHER DEPOSITS, AND INVESTMENTS, Continued

Deposits Held by State Treasurer - State law requires full collateralization of all State Treasurer bank balances. The State Treasurer must correct any deficiencies in collateral within seven days. Information pertaining to the reported amounts, fair values, and credit risk of the State Treasurer's deposits is disclosed in the Annual Comprehensive Financial Report of the State of South Carolina.

With respect to the investments in the State's internal cash management pool, all of the State Treasurer's investments are insured or registered or are investments for which the securities are held by the State or its agents in the State's name. Information pertaining to the reported amounts, fair values, and the credit risk of the State Treasurer's investments is disclosed in the Annual Comprehensive Financial Report of the State of South Carolina. For the fiscal year ending June 30, 2025, of the \$1,810,573,447 identified in the preceding schedule as "Deposits held by State Treasurer", \$5,332,283 is attributable to unrealized loss.

Other Deposits - The University's other deposits at year-end were entirely covered by federal depository insurance or were fully collateralized by securities held by the pledging bank's trust department.

Investments Held by State Treasurer - The University's investments include common stock held by the State Treasurer for the University. The investment assets held in the State's cash management pool are all Level 2 assets as defined below.

Other Investments - The University has other investments which are managed by financial institutions or brokers as specified by the donors. Purchased investments are valued at fair value. Investments received from donors are valued at the lesser of their fair value on the date promised or received or fair value as of fiscal year-end.

The University has adopted applicable accounting standards for its financial assets and liabilities which clarify that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The University utilizes market data or assumptions that market participants would use in pricing the asset or liability. The standards establish a three tier fair value hierarchy, which prioritizes the inputs used in measuring fair value.

The University's investments measured and reported at fair value are classified according to the following hierarchy:

Level 1: Investments reflect prices quoted in active markets for identical assets.

Level 2: Investments reflect prices that are based on similar significant observable assets either directly or indirectly, which may include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, or model-driven valuations.

Level 3: Investments reflect prices based upon significant unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The University's other investments consist of \$1,337,773 Level 1 assets and \$59,500 Level 3 assets.

Custodial credit risk is the risk that in the event of a failure of the counterparty to a transaction, the University will not be able to recover the value of the investments or collateral securities that are in possession of an outside party.

The University does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Other investments totaling \$1,397,273 were collateralized by securities held by the pledging bank's trust department but not in the University's name.

The net change in unrealized depreciation of investments for the current fiscal year was \$462,819.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 3 - RECEIVABLES

Accounts Receivable – Accounts receivable consisted of the following:

Current	
Student	\$ 18,705,691
Auxiliary enterprises	13,710,142
Federal grants and contracts	32,722,069
State grants and contracts	10,230,024
Local grants and contracts	239,453
Non-governmental grants and contracts	3,236,042
State capital appropriations	213,734,500
Leases	1,310,355
Public private partnerships	5,508,849
Accrued interest	10,040,319
	309,437,444
Less allowance for doubtful accounts	(2,215,571)
	\$ 307,221,873
Noncurrent	
State capital appropriations	\$ 171,525,002
Leases	51,744,926
Public private partnerships	15,774,814
	\$ 239,044,742

State capital appropriations receivable represent outstanding Capital Reserve funds that have been appropriated but not yet drawn. The State has authorized these funds for improvements and expansion of state facilities. The University is not obligated to repay these funds to the State. State funding for a Neurological and Critical Care Hospital is included in accounts receivable (\$190 million current and \$150 million noncurrent).

Leases receivable represent the present value of expected payments over the term of the leases. See Note 8 for additional information. Public private partnerships (PPP) receivables include amounts related to PPPs for food services and bookstore operations identified and accounted for as prescribed under GASB Statement No. 94. See Note 8 for additional information. Allowance for doubtful accounts is based upon actual losses experienced in prior years and evaluation of the current accounts.

Student Loans Receivable and Federal Loan Liability - Student loans made through the Federal Perkins and the Federal Nursing and Health Professions loan programs comprise substantially all of the student loans receivable, and are restricted for such loans. The loan programs provide various repayment options: students have the right to repay the loans over periods up to 10 years depending on the amount of the loan and loan cancellation privileges the student may exercise.

The Federal Perkins loans that are delinquent for 24 months are reassigned to the Department of Education and are no longer reported as University receivables and liabilities.

The amount reported as a federal loan liability is the amount of federal contributions and net earnings on the loans that would have to be repaid to the federal government if the University ceased to participate in the programs.

As the University determines that loans are uncollectible, the loans can be assigned to the federal agency administering the loan programs.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 4 - CAPITAL ASSETS

	June 30, 2024	Additions	Reductions	Net Transfers	June 30, 2025
Capital assets not being depreciated					
Land	\$ 112,926,015	\$ 19,523	\$ -	\$ 3,159,300	\$ 116,104,838
Construction in progress	35,610,417	125,681,400	-	(39,351,848)	121,939,969
Works of art and historical treasures	56,142,489	620,447	-	-	56,762,936
Total capital assets not being depreciated	204,678,921	126,321,370	-	(36,192,548)	294,807,743
Other capital assets					
Land improvements	110,487,776	-	-	-	110,487,776
Buildings and improvements	2,298,030,438	7,681,058	194,400	36,192,548	2,341,709,644
Machinery, equipment and other	272,553,867	28,942,171	13,590,111	-	287,905,927
Vehicles	20,820,347	2,651,796	658,983	-	22,813,160
Intangibles	91,531,171	106,945	2,168,388	-	89,469,728
Leased land and improvements	700,660	407,902	555,001	-	553,561
Leased buildings and improvements	31,443,151	33,475,114	8,426,317	-	56,491,948
Leased machinery, equipment and other	770,666	637,685	384,719	-	1,023,632
Software subscriptions	29,881,402	32,733,577	11,277,671	-	51,337,308
Total capital assets at historical cost	2,856,219,478	106,636,248	37,255,590	36,192,548	2,961,792,684
Less accumulated depreciation/amortization for:					
Land improvements	69,151,460	4,133,064	-	-	73,284,524
Buildings and improvements	1,061,325,509	52,471,909	194,400	-	1,113,603,018
Machinery, equipment and other	188,505,869	18,473,197	10,477,725	-	196,501,341
Vehicles	15,730,984	1,665,681	610,831	-	16,785,834
Intangibles	78,554,162	4,688,140	2,785,792	-	80,456,510
Leased land and improvements	455,601	175,909	555,001	-	76,509
Leased buildings and improvements	9,144,386	11,712,250	3,422,033	-	17,434,603
Leased machinery, equipment and other	471,068	213,795	384,719	-	300,144
Software subscriptions	13,890,482	14,984,447	11,277,674	-	17,597,255
Total accumulated depreciation/amortization	1,437,229,521	108,518,392	29,708,175	-	1,516,039,738
Other capital assets, net	1,418,989,957	(1,882,144)	7,547,415	36,192,548	1,445,752,946
Capital assets, net	\$ 1,623,668,878	\$ 124,439,226	\$ 7,547,415	\$ -	\$ 1,740,560,689

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS

The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority, which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the Systems and serves as a co-trustee of the Systems in conducting that review.

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

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

Plan Description

The South Carolina Retirement System (SCRS), a cost sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

The State Optional Retirement Program (ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers.

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

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

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

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

ORP – As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not part of the retirement systems' trust funds for financial statement purposes. Employee and Employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution (9.00 percent) and a portion of the employer contribution (5.00 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution (13.41 percent) and an incidental death benefit contribution (0.15 percent), if applicable, which is retained by SCRS.

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

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

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

The benefit formula for full benefits effective since July 1, 1989 for the SCRS is 1.82 percent of an employee's average final compensation (AFC) multiplied by the number of years of credited service. For Class II members, AFC is the average annual earnable compensation during 12 consecutive quarters and includes an amount for up to 45 days termination pay at retirement for unused annual leave. For Class III members, AFC is the average annual earnable compensation during 20 consecutive quarters and termination pay for unused annual leave at retirement is not included. An incidental death benefit is also available to beneficiaries of active and retired members.

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

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

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

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

Disability annuity benefits are available to Class II members if they have permanent incapacity to perform regular duties of the member's job and they have at least 5 years of earned service (this requirement does not apply if the disability is a result of a job related injury). Class III members can apply for disability annuity benefits provided they have a permanent incapacity to perform the regular duties of the member's job and they have a minimum of eight years of credited service. For disability applications received after December 31, 2013, a member of SCRS will have to be approved for disability benefits from the Social Security Administration in order to be eligible for SCRS disability retirement benefits. An incidental death benefit equal to an employee's annual rate of compensation is payable upon the death of an active employee with a minimum of one year of credited service or to a working retired contributing member. There is no service requirement for death resulting from actual performance of duties for an active member. For eligible retired members, a lump-sum payment is made to the retiree's beneficiary of up to \$6,000 based on years of service at retirement.

Contributions - Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

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

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

Required **employee** contribution rates for fiscal year 2024-2025 are as follows:

SCRS

Employee Class II	9.00% of earnable compensation
Employee Class III	9.00% of earnable compensation

ORP

9.00% of earnable compensation

PORS

Employee Class II	9.75% of earnable compensation
Employee Class III	9.75% of earnable compensation

Required **employer** contribution rates¹ for fiscal year 2024-2025 are as follows:

SCRS

Employer Class II	18.56% of earnable compensation ³
Employer Class III	18.56% of earnable compensation ³

ORP

Employer Contribution ²	18.56% of earnable compensation ³
------------------------------------	--

PORS

Employer Class II	21.24% of earnable compensation ⁴
Employer Class III	21.24% of earnable compensation ⁴

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

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

³ Includes incidental death benefit contribution rate of 0.15%.

⁴ Includes incidental death benefit and accidental death benefit contribution rate of 0.20% each.

For fiscal year 2025, total University contributions were \$111,924,554 and \$2,140,806 for SCRS and PORS, respectively. The total contributions to the ORP were \$16,807,524 (excluding the surcharge) from the University as employer and \$30,253,544 from its employees as plan members.

Net Pension Liability (NPL) - At June 30, 2025, the University reported liabilities of \$1,014,722,029 and \$14,566,646 for its proportionate share of the SCRS and PORS NPL, respectively. The NPLs were measured as of June 30, 2024, and the total pension liabilities (TPL) used to calculate the NPLs were determined by an actuarial valuation as of that date. The University's proportionate shares of the NPLs were based on the University's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The University's proportionate share of the SCRS plan increased by 0.116624% from the prior year. The University's proportionate share of the PORS plan decreased by 0.021685% over the prior year. At June 30, 2025, the University's proportionate shares of the SCRS and PORS plans were 4.327115% and 0.485590%, respectively.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

Pension Expense - For the year ended June 30, 2025, the University recognized pension expense of \$102,285,062 and \$1,281,898 for SCRS and PORS, respectively, for a total pension expense of \$103,566,960.

Non-employer Contributions - Employer's proportionate shares were calculated on the basis of employer contributions remitted to the plan. In an effort to offset a portion of the increased contribution requirements for employers, the General Assembly again provided nonemployer contributions to PEBA. Based on the criteria provided by the General Assembly, PEBA issued credit invoices to certain SCRS and PORS employers for fiscal year 2024 who then applied the credit invoices towards contributions otherwise due to the Systems. For the year ended June 30, 2024 measurement period, PEBA provided non-employer contributions to the University in the amount of \$4,562,757 which is shown as a reduction to net pension liability and other grant revenue in the year ended June 30, 2025.

Deferred Inflows of Resources and Deferred Outflows of Resources – At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the respective plans:

South Carolina Retirement System

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33,347,365	\$ 1,259,323
Changes of assumptions	17,889,370	-
Net difference between projected and actual earnings on pension plan investments	-	39,097,517
Changes in proportion and differences between University contributions and proportionate share of contributions	23,204,772	841,371
University contributions subsequent to the measurement date	111,924,554	-
Total	<u>\$ 186,366,061</u>	<u>\$ 41,198,211</u>

Police Officers Retirement System

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,367,997	\$ 83,513
Changes of assumptions	317,141	-
Net difference between projected and actual earnings on pension plan investments	-	816,664
Changes in proportion and differences between University contributions and proportionate share of contributions	143,283	700,380
University contributions subsequent to the measurement date	2,140,806	-
Total	<u>\$ 3,969,227</u>	<u>\$ 1,600,557</u>

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

The \$111,924,554 and \$2,140,806 reported as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2025 will be recognized as a reduction of the NPLs in the year ending June 30, 2026.

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

	SCRS
Year ended June 30:	
2026	\$ (5,217,650)
2027	45,222,912
2028	3,505,382
2029	(10,267,348)
	\$ 33,243,296

	PORS
Year ended June 30:	
2026	\$ (253,403)
2027	710,163
2028	(12,970)
2029	(215,926)
	\$ 227,864

Actuarial Assumptions and Methods - Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Actuarial assumptions and methods used during the annual valuation process are subject to periodic revision, typically with an experience study, as actual results over an extended period of time are compared with past expectations and new estimates are made about the future.

South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

The June 30, 2024, total pension liability (TPL), net pension liability (NPL), and sensitivity information were determined by PEBA's consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the actuarial valuation performed as of July 1, 2023. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2024, using generally accepted actuarial principles. There was no legislation enacted during the 2024 legislative session that had a material change in the benefit provisions for any of the systems.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2024 for SCRS and PORS:

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service) ¹	3.5% to 10.5% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

¹ Includes inflation at 2.25%

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Assumptions used in the June 30, 2024 TPL are as follows:

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

Net Pension Liability - The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. As of June 30, 2024, NPL totals for SCRS and PORS are as follows (amounts expressed in thousands):

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 61,369,806,968	\$ 37,919,492,371	\$ 23,450,314,597	61.8%
PORS	10,177,904,231	7,178,118,865	2,999,785,366	70.5%

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

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2024 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.23%	2.86%
Bonds	26.0%	2.60%	0.68%
Private Equity ¹	9.0%	9.60%	0.86%
Private Debt ¹	7.0%	6.90%	0.48%
Real Assets	12.0%		
Real Estate ¹	9.0%	4.30%	0.39%
Infrastructure ¹	3.0%	7.30%	0.22%
Total Expected Return ²	100.0%		5.49%
Inflation for Actuarial Purposes			2.25%
Expected Rate of Return			7.74%

¹ RSIC staff and consultant will notify the Commission if the collective exposure to Private Equity, Private Debt and Private Real Assets exceeds 30 percent of total plan assets.

² Portable Alpha Strategies, which utilize Hedge Funds and are not included in the Policy Target, will be capped at 15% of total assets.

Discount Rate - The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis - The following table presents the collective NPL of the University calculated using the discount rate of 7.00 percent, as well as what the University's NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate						
System	1.00% Decrease (6.00%)		Current Discount Rate (7.00%)		1.00% Increase (8.00%)	
SCRS	\$	1,314,965,062	\$	1,014,722,029	\$	738,221,913
PORS		21,104,280		14,566,646		9,211,984

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 5 - PENSION PLANS, Continued

Additional Financial and Actuarial Information - Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems' audited financial statements for the fiscal year ended June 30, 2024 (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2024.

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

NOTE 6 - POSTEMPLOYMENT AND OTHER EMPLOYEE BENEFITS

Plan Description - In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents. The University contributes to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), cost-sharing multiple employer defined benefit postemployment healthcare, and long-term disability plans administered by the Insurance Benefits Division (IB), a part of the South Carolina Public Employee Benefit Authority (PEBA). Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15 through 24 years of service for 50% employer funding. Benefits become effective when the former employee retires under a State retirement system. Basic Long-Term Disability (BLTD) benefits are provided to active state, public school district, and participating local government employees approved for disability.

Funding Policies - Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment and long-term disability benefits be funded through annual appropriations by the General Assembly for active employees to the IB and participating retirees to the PEBA, except for the portion funded through the pension surcharge and provided from the other applicable sources of the IB, for its active employees who are not funded by State General Fund appropriations. Employers participating in the Retiree Medical Plan are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget, 6.35 percent of annual covered payroll for 2025. The IB sets the employer contribution rate based on a pay-as-you-go basis. The University paid \$39,802,224, including the implicit subsidy, applicable to the surcharge included with the employer contribution for retirement benefits for the fiscal year ended June 30, 2025. BLTD benefits are funded through a person's premium charged to State agencies, public school districts, and other participating local governments. The monthly premium per active employee paid to IB was \$3.22 for the fiscal year ended June 30, 2025. The SCLTDITF premium is billed monthly by PEBA, Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

Effective May 1, 2008 the State established two trust funds through Act 195 for the purpose of funding and accounting for the employer costs of retiree health and dental insurance benefits and long-term disability insurance benefits. The SCRHITF is primarily funded through the payroll surcharge. Other sources of funding include additional State appropriated dollars, accumulated IB reserves, and income generated from investments. The SCLTDITF is primarily funded through investment income and employer contributions. The SCLTDITF is considered immaterial and is not included in the University financial statements as well as the related notes and required supplementary information.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 6 - POSTEMPLOYMENT AND OTHER EMPLOYEE BENEFITS, Continued

A copy of the separately issued financial statements for the benefit plans and the trust funds may be obtained by writing to the South Carolina Public Employee Benefit Authority – Insurance Benefits, 202 Arbor Lake Drive, Columbia, South Carolina 29223.

Net OPEB Liability - At June 30, 2025, the University reported a liability of \$964,648,510 for its proportionate share of the SCRHITF net OPEB liability. The OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The University's proportionate share of the OPEB liability was based on the University's long-term share of contributions to the postemployment benefits plans relative to the projected contributions of all participating employers, actuarially determined. The University's proportionate share of the SCRHITF plan increased 0.023042% from the prior year. At June 30, 2024, the University's proportionate share of the SCRHITF plan was 5.983503%.

OPEB Expense - For the year ended June 30, 2025, the University recognized OPEB expense of \$42,308,550 for SCRHITF.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Post-Employment Benefits Other Than Pensions (OPEB) – At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

South Carolina Retiree Health Insurance Trust Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 50,144,815	\$ 142,774,465
Changes of assumptions	206,603,372	198,072,751
Net difference between projected and actual earnings on OPEB plan investments	4,705,213	-
Changes in proportion and differences between University contributions and proportionate share of contributions	3,893,354	29,418,608
University contributions subsequent to the measurement date	39,802,224	-
Total	<u>\$ 305,148,978</u>	<u>\$ 370,265,824</u>

The \$39,802,224 reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date for the SCRHITF plan during the year ended June 30, 2025 will be recognized as a reduction of the Net OPEB Liability in the year ending June 30, 2026.

The net amount of deferred outflows of resources and deferred inflows of resources related to retiree health benefits will be recognized in retiree health benefit expense as follows for the SCRHITF plan:

Year ended June 30:	
2026	\$ (17,212,251)
2027	(20,638,426)
2028	(39,835,927)
2029	(52,581,940)
2030	5,004,313
Thereafter	20,345,161
	<u>\$ (104,919,070)</u>

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 6 - POSTEMPLOYMENT AND OTHER EMPLOYEE BENEFITS, Continued

Actuarial Assumptions and Methods - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following table provides a summary of the actuarial assumptions and methods used in the June 30, 2023 actuarial valuation for SCRHITF:

Actuarial Methods and Assumptions:

Actuarial cost method	Individual Entry-Age Normal
Inflation	2.25%
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation
Single discount rate	3.97% as of June 30, 2024
Demographic assumptions	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2019
Mortality	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality tables are used with multipliers based on plan experience. The rates projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
Healthcare trend rate	Initial trend starting at 6.50% and gradually decreasing to an ultimate trend rate of 4.25% over a period of 14 years
Participation rates	79% participation for retirees who are eligible for Funded Premiums 59% participation for retirees who are eligible for Partial Funded Premiums 20% participation for retirees who are eligible for Non-Funded Premiums
Notes	The single discount rate changed from 3.86% as of June 30, 2023 to 3.97% as of June 30, 2024. Additionally, the tables used to model the impact of aging on the underlying claims and health care trend rates were updated.

Discount Rate - The Single Discount Rate of 3.97% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent)

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 6 - POSTEMPLOYMENT AND OTHER EMPLOYEE BENEFITS, Continued

Long Term Expected Rate of Return

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

For the SCRHITF, the annual money-weighted rate of return on the plan investments was 2.83 percent.

Sensitivity Analysis - The following table presents the University's proportionate share of the SCRHITF net other postemployment benefits (OPEB) liability calculated using the discount rate of 3.97 percent, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.97 percent) or 1 percentage point higher (4.97 percent) than the current rate:

1% Decrease 2.97%	Current Single Discount Rate Assumption 3.97%	1% Increase 4.97%
\$1,145,111,172	\$964,648,510	\$820,190,354

Sensitivity of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

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

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$793,241,908	\$964,648,510	\$1,186,971,940

NOTE 7 - CONTINGENCIES, LITIGATION, AND PROJECT COMMITMENTS

The University is party to various lawsuits arising out of the normal conduct of its operations. Management is not aware of any material claims or lawsuits against the University that are not covered by insurance or whose settlement would materially affect the University's financial position.

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

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 7 - CONTINGENCIES, LITIGATION, AND PROJECT COMMITMENTS, Continued

On Friday June 6, 2025, a judge approved the settlement in the *House v. NCAA* class action suit (the “*House* settlement”). The *House* settlement allows schools to pay Division I players directly and also allows former student athletes to collect damages of approximately \$2.78 billion to be paid by the NCAA over a ten-year period to the Power 5 conferences (of which the University is a member). Actual payments to players could take years due to the number of outstanding appeals. Other unresolved issues: employee designations, litigation, and state laws could have an impact on the timing and final details of the settlement. The impact to the University's Athletic Department is anticipated to be approximately \$20.5 million as outlined in the lawsuit with a 4 percent annual escalation.

The University had outstanding commitments of \$474,107,604 for capital and \$148,468,693 for noncapital projects as of June 30, 2025. The University anticipates funding these projects out of current resources, current bond issues, private gifts, student fees, and state capital appropriations.

NOTE 8 – LEASES, SUBSCRIPTIONS, AND OTHER ARRANGEMENTS

Lessee Agreements - The University leases land, space, and equipment from external parties for various terms under long-term, non-cancellable lease agreements. The leases expire at various dates through 2044 and provide for renewal options ranging from one year to ten years. In accordance with GASB Statement No. 87, the University records lease assets and lease liabilities based on the present value of expected payments over the term of the leases. The expected payments are discounted using the interest rate charged on the lease, if available, or are otherwise discounted using an estimated incremental borrowing rate. See Note 4 for information on lease assets and the related accumulated amortization. Future commitments for leases having remaining terms in excess of one year as of June 30, 2025, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 11,415,108	\$ 3,288,034	\$ 14,703,142
2027	11,936,260	2,359,132	14,295,392
2028	3,440,346	1,554,577	4,994,923
2029	1,558,611	1,354,163	2,912,774
2030	1,361,054	1,236,950	2,598,004
2031-2035	5,823,782	4,634,574	10,458,356
2036-2040	4,125,548	2,478,060	6,603,608
2041-2044	4,063,052	746,063	4,809,115
Total future minimum lease payments	<u>\$ 43,723,761</u>	<u>\$ 17,651,553</u>	<u>\$ 61,375,314</u>

In the current fiscal year, the University incurred expenses of \$938,159 for office copier contingent rentals on a cost per copy basis.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 8 – LEASES, SUBSCRIPTIONS, AND OTHER ARRANGEMENTS, Continued

Lessor Agreements - The University leases land and space to both external and related parties. Lease receivables and deferred inflows of resources are recorded based on the present value of the expected receipts over the term of the leases. The expected receipts are discounted using the interest rate charged on the lease, if available, or are otherwise discounted using an estimated incremental borrowing rate. During the year ended June 30, 2025, the University recognized revenues related to these lease agreements totaling \$4,576,895. Total minimum lease payments to be received under lessor agreements are as follows:

	Principal	Interest	Total
2026	\$ 1,310,355	\$ 2,132,730	\$ 3,443,085
2027	1,344,493	2,072,644	3,417,137
2028	1,407,785	2,011,704	3,419,489
2029	1,471,637	1,947,852	3,419,489
2030	1,538,918	1,880,955	3,419,873
2031-2035	7,356,019	8,313,747	15,669,766
2036-2040	6,955,022	6,604,385	13,559,407
2041-2045	5,155,860	4,703,932	9,859,792
2046-2050	1,051,848	4,226,944	5,278,792
2051-2055	1,952,134	3,986,510	5,938,644
2056-2060	3,100,406	3,580,566	6,680,972
2061-2065	4,551,531	2,964,559	7,516,090
2066-2070	6,371,451	2,084,159	8,455,610
2071-2075	8,639,256	873,300	9,512,556
2076-2077	848,566	13,817	862,383
Total future receipts	<u>\$ 53,055,281</u>	<u>\$ 47,397,804</u>	<u>\$ 100,453,085</u>

Subscription-Based Information Technology Arrangements (SBITAs) – The University entered into arrangements with external parties for access to information technology for various terms under long-term, non-cancelable agreements. These subscription agreements expire at various dates through 2030 and provide for renewal options ranging from one to four years. In accordance with GASB Statement No. 96, the University records SBITA assets and liabilities based on the present value of expected payments over the term of the agreement. The expected payments are discounted using the interest rate charged, if available, or are otherwise discounted using the University's incremental borrowing rate. See Note 4 for information on subscription assets and the related accumulated amortization. Future commitments for subscription assets having remaining terms in excess of one year as of June 30, 2025, were as follows:

	Principal	Interest	Total
2026	\$ 11,912,657	\$ 675,761	\$ 12,588,418
2027	9,473,421	373,415	9,846,836
2028	3,272,233	133,799	3,406,032
2029	1,625,626	44,883	1,670,509
2030	10,413	88	10,501
Total future minimum lease payments	<u>\$ 26,294,350</u>	<u>\$ 1,227,946</u>	<u>\$ 27,522,296</u>

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 8 – LEASES, SUBSCRIPTIONS, AND OTHER ARRANGEMENTS, Continued

Public Private Partnership Arrangements (PPPs) - The University has several PPPs. These arrangements are for the operation of the on-campus dining halls, catering services, bookstore operations, and food concessions. These contracts expire at various dates through 2032 and require annual maintenance fund payments as well as significant contributions for capital projects. The present value of future PPP payments to be received are:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 5,508,849	\$ 2,569,642	\$ 8,078,491
2027	3,166,348	771,206	3,937,554
2028	2,112,581	604,973	2,717,554
2029	2,223,492	494,062	2,717,554
2030	2,274,251	377,329	2,651,580
2031-2032	5,998,142	390,195	6,388,337
Total future receipts	<u>\$ 21,283,663</u>	<u>\$ 5,207,407</u>	<u>\$ 26,491,070</u>

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 9 - BONDS AND NOTES PAYABLE

Bonds Payable – Bonds payable consisted of the following:

	Original Debt	Interest Rates (Outstanding)	Maturity Dates	June 30, 2025 Balance	Debt Retired in Fiscal Year 2025
State Institution Bonds					
Series 2014A	\$ 15,190,000	3% to 5%	04/01/34	\$ 8,365,000	\$ 770,000
Series 2015A	56,725,000	3% to 5%	04/01/35	34,190,000	2,700,000
Series 2015B Refunding	30,625,000	5%	04/01/26	3,870,000	3,640,000
Series 2017B	39,450,000	2.625% to 5%	04/01/37	27,565,000	1,720,000
Series 2019B Refunding	4,290,000	5%	04/01/29	1,960,000	435,000
Series 2021C Refunding	11,840,000	5%	04/01/31	7,780,000	1,090,000
Total State Institution Bonds				83,730,000	10,355,000
Revenue Bonds					
Athletic Facilities Revenue Bonds					
Series 2015 Athletic	38,270,000	3% to 5%	05/01/45	30,520,000	950,000
Series 2016A Refunding Athletic	22,400,000	4% to 5%	05/01/38	16,755,000	925,000
Series 2017A Athletic	40,325,000	4% to 5%	05/01/47	34,095,000	915,000
Series 2017B Refunding Athletic	46,990,000	5%	05/01/40	37,110,000	2,175,000
Series 2022A Refunding	36,690,000	4% to 5%	05/01/52	34,755,000	680,000
Total Athletic Facilities Revenue Bonds				153,235,000	5,645,000
Special Higher Education Revenue Bonds					
Series 2022A Refunding	39,805,000	5%	05/01/35	32,720,000	2,480,000
Total Special Higher Education Revenue Bonds				32,720,000	2,480,000
Higher Education Revenue Bonds					
Series 2013	37,185,000	3.75%	05/01/43	5,930,000	-
Series 2015	47,605,000	3.5% to 5%	05/01/35	15,915,000	4,195,000
Series 2016A Refunding	67,820,000	4% to 5%	05/01/39	51,250,000	2,730,000
Series 2017A Refunding	20,840,000	5%	05/01/40	17,350,000	770,000
Series 2021A	169,780,000	4% to 5%	05/01/51	169,780,000	-
Series 2021B	10,265,000	0.592% to 1.135%	05/01/26	3,295,000	3,495,000
Series 2022A Refunding	14,140,000	5%	05/01/34	11,070,000	950,000
Series 2023A Refunding	20,015,000	5%	05/01/39	17,590,000	1,130,000
Total Higher Education Revenue Bonds				292,180,000	13,270,000
Total Revenue Bonds				478,135,000	21,395,000
Subtotal bonds payable				561,865,000	31,750,000
Plus unamortized bond premiums				102,206,389	5,059,747
Total Bonds Payable				\$ 664,071,389	\$ 36,809,747

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 9 - BONDS AND NOTES PAYABLE, Continued

The University's currently outstanding debt falls within the following categories:

State Institution Bonds - General Obligation State Institution Bonds of the State of South Carolina (the "State Institution Bonds") are issued by the State on behalf of and at the request of the University for any University permanent improvement project and are secured by a pledge of the full faith, credit and taxing power of the State and by a pledge of Tuition Fees (as such term is defined in the State Institution Bond enabling act) designated by the Board of Trustees and collected at the University. State Institution Bonds are subject to a legal debt margin covenant whereby debt service cannot exceed ninety percent of Tuition Fees received in the immediate prior fiscal year. The incurrence of State Institution Bonds is subject to a legal debt margin test that required Tuition Fees for the immediately preceding fiscal year to exceed forecasted maximum annual debt service. The fiscal year 2024 Tuition Fees used to calculate the University's ability to issue additional State Institution Bonds totaled \$34,760,051, which resulted in a legal annual debt service limit for State Institution Bonds issued in 2025 of \$31,284,046. The annual debt service payments for the fiscal year 2025 were \$14,104,394. Tuition Fees in fiscal year 2025 totaled \$37,453,769.

Higher Education Revenue Bonds and Special Higher Education Revenue Bonds - The University issues certain revenue bonds under the Higher Education Revenue Bond Act (the "Revenue Bonds"), the proceeds of which finance (A) dormitories, apartment buildings, dwelling houses, bookstores and other University operated stores, laundries, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other non-degree educational facilities and similar auxiliary facilities of the University and any other facilities which are auxiliary to any of the foregoing excluding, however, athletic department projects which primarily serve varsity athletic teams of the University (issued as "Higher Education Revenue Bonds"), and (B) those academic facilities as may be authorized by joint resolution of the General Assembly (historically issued as "Special Higher Education Revenue Bonds").

The Higher Education Revenue Bonds are payable from and secured by a pledge of (A) certain revenues derived by the University from the operation of the student and faculty housing facilities, parking facilities, and certain other auxiliary facilities from time to time designated by the Board of Trustees (the "Net Revenues") and (B) all available funds and academic fees of the University, less all such revenues which are (i) otherwise designated or restricted, (ii) derived from appropriations received from the General Assembly, (iii) tuition funds pledged to the repayment of State Institution Bonds, or (iv) funds pledged to the payment of the University's Athletic Facilities Revenue Bonds. Net Revenues for fiscal year 2025 were \$41,471,477. The net available funds described in (B) above totaled \$1,060,636,878 in fiscal year 2025.

The Special Higher Education Revenue Bonds are payable from and secured by a pledge of all available funds and academic fees of the University, less all such revenues which are (i) otherwise designated or restricted, (ii) derived from appropriations received from the General Assembly, (iii) tuition funds pledged to the repayment of State Institution Bonds, (iv) funds pledged to the payment of the University's Athletic Facilities Revenue Bonds, or (v) the Net Revenues. Such pledged revenues for fiscal year 2025 were \$1,060,636,878.

Athletic Facilities Revenue Bonds - Athletic Facilities Revenue Bonds, the proceeds of which are used by the University for the financing or refinancing of the costs of acquiring, constructing, reconstructing, renovating, or equipping Athletic Facilities. The Athletic Facilities Revenue Bonds are payable from and secured by a pledge of (A) the net revenues of the Athletic Department including transfers from the University, (B) the gross receipts from the imposition of the Admissions Fee (as defined in the bond resolution authorizing the Athletic Facilities Revenue Bonds), and (C) the gross receipts from the imposition of the Special Student Fee (as defined in the bond resolution authorizing the Athletic Facilities Revenue Bonds). Pledged revenues for athletic facilities revenue bonds in fiscal year 2025 were \$2,363,701 of special student fees, \$6,729,775 of special admission fees and \$5,220,724 of athletic department revenues.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 9 - BONDS AND NOTES PAYABLE, Continued

The University believes it is in compliance with all related bond covenants of its issued debt.

The scheduled maturities of the University bonds payable by type are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
State Institution Bonds			
2026	\$ 10,915,000	\$ 3,231,644	\$ 14,146,644
2027	7,400,000	2,693,944	10,093,944
2028	7,760,000	2,332,344	10,092,344
2029	8,125,000	1,961,844	10,086,844
2030	7,895,000	1,639,294	9,534,294
2031-2035	36,240,000	4,204,230	40,444,230
2036-2037	5,395,000	243,900	5,638,900
Total	\$ 83,730,000	\$ 16,307,200	\$ 100,037,200
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Revenue Bonds			
2026	\$ 21,520,000	\$ 22,495,992	\$ 44,015,992
2027	22,615,000	21,575,944	44,190,944
2028	21,340,000	20,466,194	41,806,194
2029	22,400,000	19,419,444	41,819,444
2030	23,520,000	18,299,444	41,819,444
2031-2035	123,550,000	73,547,581	197,097,581
2036-2040	101,880,000	45,290,775	147,170,775
2041-2045	69,270,000	24,717,925	93,987,925
2046-2050	58,770,000	9,911,400	68,681,400
2051-2052	13,270,000	608,300	13,878,300
Total	\$ 478,135,000	\$ 256,332,999	\$ 734,467,999

Notes Payable – Notes payable, which are all direct borrowings, consisted of the following:

Note payable to acquire energy savings equipment, dated April 2018, payable in annual installments of \$49,399 subject to amount drawn at any given time, \$ 188,099 matures February 2029, fixed interest rate of 2.00%.

The scheduled maturities of the notes payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 45,637	\$ 3,762	\$ 49,399
2027	46,550	2,849	49,399
2028	47,481	1,918	49,399
2029	48,431	968	49,399
Total	\$ 188,099	\$ 9,497	\$ 197,596

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 10 - LONG-TERM LIABILITIES

Long-term liability activity was as follows:

	June 30, 2024	Additions	Reductions	June 30, 2025	Due Within One Year	Long-Term Portion
Bonds Payable:						
State Institution Bonds	\$ 94,085,000	\$ -	\$ 10,355,000	\$ 83,730,000	\$ 10,915,000	\$ 72,815,000
Revenue Bonds	499,530,000	-	21,395,000	478,135,000	21,520,000	456,615,000
Subtotal Bonds Payable	593,615,000	-	31,750,000	561,865,000	32,435,000	529,430,000
Unamortized Bond Premiums	107,266,136	-	5,059,747	102,206,389	6,782,156	95,424,233
Total Bonds Payable	700,881,136	-	36,809,747	664,071,389	39,217,156	624,854,233
Notes Payable	232,842	-	44,743	188,099	45,637	142,462
Total Bonds and Notes Payable	\$ 701,113,978	\$ -	\$ 36,854,490	\$ 664,259,488	\$ 39,262,793	\$ 624,996,695
Lease Obligations	\$ 27,333,035	\$ 34,571,154	\$ 18,180,428	\$ 43,723,761	\$ 11,415,108	\$ 32,308,653
Subscription Obligations	\$ 10,998,600	\$ 32,234,891	\$ 16,939,141	\$ 26,294,350	\$ 11,912,657	\$ 14,381,693
Accrued Compensated Absences ⁽¹⁾	\$ 43,215,252	\$ 4,316,180	\$ -	\$ 47,531,432	\$ 36,940,094	\$ 10,591,338

⁽¹⁾ The net change is shown for the Accrued Compensated Absences.

Additional information regarding bonds and notes payable is included in Note 9.

NOTE 11 - COMPONENT UNITS

Certain separately chartered legal entities whose activities are related to those of the University exist primarily to provide financial assistance and other support to the University and its educational program. They include the University of South Carolina Development Foundation; the University of South Carolina Educational Foundation; and the University of South Carolina Business Partnership Foundation. These entities are considered nongovernmental component units because they do not meet the definition of a governmental entity. Because the activities and resources of these entities are significant, provide a direct benefit, and are accessible to the University, they are considered component units of the University and are discretely presented in the University's financial statements accordingly as nongovernmental reporting entities. Management performs an annual review of its relationship with these entities to ensure continued compliance with accounting standards.

Following is a more detailed discussion of each of these entities and a summary of significant transactions (if any) between these entities and the University. These component units also hold endowments on behalf of the University, see Note 14 for details.

Nongovernmental Discretely Presented Component Units

The University of South Carolina Development Foundation (the Foundation) operates exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the University including, but not limited to, promoting, encouraging, and aiding scientific research and investigation at the University. The University receives funds for incidental administration and operational costs to include personnel provided by the University from the Foundation. The University also pays the Foundation for the lease of real property. Complete financial statements for the Foundation can be obtained at USC Foundations, 1027 Barnwell St. Columbia, SC 29208, Attention: Jason Caskey.

The University of South Carolina Educational Foundation (the Foundation) operates for the benefit and support of the University of South Carolina. Its objectives include the establishment and implementation of long-range fundraising programs to assist in the expansion and improvement of the educational functions of the University. The University receives from the Foundation funds for scholarships, awards and stipends to students, faculty and administrative staff; library collections; incidental administration and operational costs to include personnel provided by the University. Complete financial statements for the Foundation can be obtained at USC Foundations, 1027 Barnwell St. Columbia, SC 29208, Attention: Jason Caskey.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 11 - COMPONENT UNITS, Continued

The University of South Carolina Business Partnership Foundation (the Foundation) was formed to bring together representatives of business and government to assist in conducting conferences, seminars, and management programs to further the education, development and effectiveness of management personnel in the State and region. The University receives funds for scholarships, reimbursement of personnel services, and other administrative costs from the Foundation. Complete financial statements for the Foundation can be obtained at University of South Carolina Business Partnership Foundation 1014 Green Street, Columbia, SC 29208, Attention: Jean Duke.

Various transactions occur between the University and the component units. A summary of those transactions follows:

Funds and Assets Received from Component Units

Development Foundation	\$ 88,161
Educational Foundation	36,709,558
Business Partnership Foundation	8,521,743
Total	<u>\$ 45,319,462</u>

Funds Paid to Component Units

Development Foundation	\$ 12,516,100
Educational Foundation	13,479
Total	<u>\$ 12,529,579</u>

NOTE 12 - RISK MANAGEMENT

The University has implemented a comprehensive Enterprise Risk Management (ERM) and Insurance program which incorporates the fundamentals of risk identification, risk assessment, risk treatment, risk monitoring and risk review. Currently, the Columbia campus has established an ERM process using the guidance of International Standards Organization (ISO) 3100-2018 "Risk Management - Guidelines". ISO provides principles, framework and process for managing any form of risk in a systematic, transparent and credible manner. The ERM and Insurance program is committed to: preventing adverse claim experience through training, education and inspection; advising and assisting University managers in identifying potential risks and losses; advising and assisting University managers in implementing controls to mitigate risks; and procuring appropriate insurance policies. The University mitigates the financial consequences of physical, human, and financial loss by purchasing insurance through the State Fiscal Accountability Authority Office of the Insurance Reserve Fund (IRF). As needed, the IRF policies are supplemented by the purchase of policies through the private insurance market. Several sections of the South Carolina Code of Laws authorize and require the State Fiscal Accountability Authority, through the IRF, to provide insurance to governmental entities. These statutes in turn require most state entities to purchase insurance through the IRF. These sections include:

Title 1 - Administration of Government, Section 1-11-140 - 141. Authority to provide tort liability insurance to governmental entities, their employees, and charitable medical facilities.

Title 1 - Administration of Government: Section 1-11-147. Automobile Liability Reinsurance.

Title 10 - Public Buildings and Property: Section 10-7-10 through 10-7-40. Authority to insure public buildings and contents.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 12 - RISK MANAGEMENT, Continued

Title 10 - Public Buildings and Property: Section 10-7-12. Authority to purchase reinsurance.

Title 10 - Public Buildings and Property: Section 10-7-130. Authority to hold monies paid as premiums for the purpose of paying Insured losses.

Title 11 - Public Finance: Section 11-9-75. Debt Collection Procedures.

Title 15 - Civil Remedies and Procedures: Section 15-78-10 through 15-78-150. S.C. Governmental Tort Claims Act. Authority to provide liability insurance.

Title 38 - Insurance: Section 38-13-190. Requires South Carolina Insurance Department Audits of Insurance Reserve Fund Finance.

Title 59 - Education: Section 59-67-710 & 59-67-790. Authority to insure school buses and pupils transported by school bus.

Title 59 - Education: Section 59-67-790. Pupil Injury Fund.

The IRF functions as a governmental insurance operation with the mission to provide insurance specifically designed to meet the needs of governmental entities at the lowest possible cost. The IRF operates like an insurance company, by issuing policies, collecting premiums (based on actuarially calculated rates), and by paying claims from the accumulated premiums in accordance with the terms and conditions of the insurance policies it has issued.

All premiums received by the IRF are deposited with the Office of the State Treasurer where the funds are maintained as the IRF Trust Account. By statutory requirement, these funds are to be used to pay claims and operating expenses of the fund. The Office of the State Treasurer is responsible for investing these funds. The costs of settled claims have not exceeded the University's insurance coverage in any of the past three years.

The IRF uses no agents, brokers, or advertising, and does not actively solicit accounts. The lack of a profit motive and the lack of acquisition expenses such as agents' commissions, along with the use of the investment income in rate determination allow the IRF to maintain the lowest possible rate structure. Not all governmental entities elect to purchase their insurance through the IRF. The South Carolina Tort Claims Act allows political subdivisions of the State access to other mechanisms to meet their insurance needs at their discretion. Some entities participate in other self-insurance pools, some purchase commercial insurance, and some elect to self-insure their insurance exposures.

The various types of insurance policies maintained by the University include: Building and Personal Property, Inland Marine, Ocean Marine, Data Processing Equipment, Business Interruption, Builders' Risk, Automobile, Aircraft, Directors and Officers Liability, General Tort Liability, Cyber Liability, Medical Professional Liability, Employee Crime, and Workers' Compensation.

UNIVERSITY OF SOUTH CAROLINA
Notes to the Financial Statements

NOTE 13 - OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification are summarized as follows:

	Salaries and Wages	Fringe Benefits	Services and Supplies	Utilities	Scholarships and Fellowships	Depreciation	Total
Instruction	\$ 368,792,975	\$ 143,775,424	\$ 72,956,679	\$ 32,557	\$ 1,711,605	\$ -	\$ 587,269,240
Research	94,181,125	35,530,013	66,488,490	205,167	1,554,001	-	197,958,796
Public service	44,300,856	17,091,107	36,245,118	63,262	979,850	-	98,680,193
Academic support	67,828,897	26,485,664	46,109,191	51,083	74,063	-	140,548,898
Student services	58,474,809	22,222,840	35,814,371	1,903,176	925,784	-	119,340,980
Institutional support	75,322,936	26,528,840	33,436,757	3,531	31,630	-	135,323,694
Operation and plant maintenance	39,050,987	17,120,251	58,695,722	24,976,865	-	-	139,843,825
Auxiliary enterprises	83,342,649	26,214,732	120,642,585	12,961,120	3,531,296	-	246,692,382
Scholarships and fellowships	1,858,912	2,430,271	198,696	-	51,184,295	-	55,672,174
Depreciation	-	-	-	-	-	108,518,392	108,518,392
Pension and OPEB expense	-	(10,493,248)	-	-	-	-	(10,493,248)
Total operating expenses	\$ 833,154,146	\$ 306,905,894	\$ 470,587,609	\$ 40,196,761	\$ 59,992,524	\$ 108,518,392	\$ 1,819,355,326

NOTE 14 - ENDOWMENTS

The University's endowment funds consist of the following:

Net Position Classification	True Endowment	Quasi Endowment	Total
Restricted - nonexpendable	\$ 90,916,810	\$ -	\$ 90,916,810
Unrestricted	-	30,493,977	30,493,977
Total	\$ 90,916,810	\$ 30,493,977	\$ 121,410,787

Endowments held by Component Units			
Business Partnership Foundation	\$ 83,057,133	\$ 72,042,943	\$ 155,100,076
Development Foundation	4,181,880	26,530,374	30,712,254
Education Foundation	590,265,837	12,969,064	603,234,901
Total Endowments held by Component Units	\$ 677,504,850	\$ 111,542,381	\$ 789,047,231

At June 30, 2025, \$14,757,984 of the amount reported as *net position, restricted expendable - scholarships, research, instruction and other*, represented cumulative net appreciation of donor-restricted endowments.

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Required Supplementary Information

to the Financial Statements

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UNIVERSITY OF SOUTH CAROLINA
Schedule of the University's Proportionate Share of the Net Pension Liability
As of June 30

South Carolina Retirement System (SCRS)						
Fiscal year ended	Measurement period	University's Proportion of the Net Pension Liability	University's Proportionate Share of the Net Pension Liability	University's Covered Payroll During the Measurement Period	University's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	2024	4.327115%	\$ 1,014,722,029	\$ 350,990,743	289.10%	61.80%
2024	2023	4.210491%	1,017,988,841	315,435,878	322.72%	58.60%
2023	2022	4.177838%	1,012,797,979	300,548,411	336.98%	57.10%
2022	2021	4.195422%	907,942,876	289,811,289	313.29%	60.70%
2021	2020	4.271173%	1,091,360,231	290,807,945	375.29%	50.70%
2020	2019	4.310566%	984,280,973	282,920,119	347.90%	54.40%
2019	2018	4.290247%	961,307,644	282,488,211	340.30%	54.10%
2018	2017	4.167883%	938,282,339	279,360,816	335.87%	53.30%
2017	2016	4.057192%	866,637,424	266,242,277	325.51%	52.91%
2016	2015	4.074340%	772,745,350	259,539,897	297.74%	56.99%

Police Officers Retirement System (PORS)						
Fiscal year ended	Measurement period	University's Proportion of the Net Pension Liability	University's Proportionate Share of the Net Pension Liability	University's Covered Payroll During the Measurement Period	University's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	2024	0.485590%	\$ 14,566,646	\$ 9,522,092	152.98%	70.50%
2024	2023	0.507275%	15,441,938	8,751,668	176.45%	67.80%
2023	2022	0.520683%	15,615,187	8,119,977	192.31%	66.40%
2022	2021	0.498057%	12,814,574	7,495,728	170.96%	70.40%
2021	2020	0.560656%	18,592,551	8,427,441	220.62%	58.80%
2020	2019	0.586371%	16,805,038	8,569,379	196.11%	62.70%
2019	2018	0.565259%	16,016,847	7,928,895	202.01%	61.70%
2018	2017	0.542530%	14,862,802	7,291,336	203.84%	60.90%
2017	2016	0.516784%	13,108,096	6,589,396	198.93%	60.44%
2016	2015	0.523020%	11,399,093	6,497,348	175.44%	64.57%

UNIVERSITY OF SOUTH CAROLINA
Schedule of the University's Contributions
Related to the Pension Liability
For the Years Ended June 30

South Carolina Retirement System (SCRS)						
For the Year	Contractually Required Contribution	Contributions Made to Pension Plan	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Portion of Covered Payroll	
2025	\$ 111,924,554	\$ 111,924,554	-	\$ 382,162,681	29.29%	
2024	101,437,735	101,437,735	-	350,990,743	28.90%	
2023	85,786,862	85,786,862	-	315,435,878	27.20%	
2022	77,400,097	77,400,097	-	300,548,411	25.75%	
2021	69,466,008	69,466,008	-	289,811,289	23.97%	
2020	69,325,682	69,325,682	-	290,807,945	23.84%	
2019	61,758,365	61,758,365	-	282,920,119	21.83%	
2018	55,930,269	55,930,269	-	282,488,211	19.80%	
2017	48,557,480	48,557,480	-	279,360,816	17.38%	
2016	43,476,291	43,476,291	-	266,242,277	16.33%	

Police Officers Retirement System (PORS)						
For the Year	Contractually Required Contribution	Contributions Made to Pension Plan	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Portion of Covered Payroll	
2025	\$ 2,140,806	\$ 2,140,806	-	\$ 10,431,223	20.52%	
2024	1,947,812	1,947,812	-	9,522,092	20.46%	
2023	1,673,352	1,673,352	-	8,751,668	19.12%	
2022	1,488,776	1,488,776	-	8,119,977	18.33%	
2021	1,295,723	1,295,723	-	7,495,728	17.29%	
2020	1,435,502	1,435,502	-	8,427,441	17.03%	
2019	1,397,134	1,397,134	-	8,569,379	16.30%	
2018	1,275,284	1,275,284	-	7,928,895	16.08%	
2017	1,038,286	1,038,286	-	7,291,336	14.24%	
2016	905,383	905,383	-	6,589,396	13.74%	

UNIVERSITY OF SOUTH CAROLINA
Schedule of the University's Proportionate Share of the Net OPEB Liability
As of June 30

South Carolina Retiree Health Insurance Trust Fund (SCRHITF)						
Fiscal year ended	Measurement period	University's Proportion of the Net OPEB Liability	University's Proportionate Share of the Net OPEB Liability	University's Covered Payroll During the Measurement Period	University's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	2024	5.983503%	\$ 964,648,510	\$ 673,958,954	143.13%	9.91%
2024	2023	5.960461%	780,312,925	614,797,607	126.92%	11.24%
2023	2022	5.973072%	908,614,227	589,814,785	154.05%	9.64%
2022	2021	6.085095%	1,267,110,762	572,159,591	221.46%	7.48%
2021	2020	6.190479%	1,117,472,077	573,447,183	194.87%	8.39%
2020	2019	6.338839%	958,529,395	555,380,041	172.59%	8.44%
2019	2018	6.456708%	914,953,998	548,356,852	166.85%	7.91%
2018	2017	6.339136%	858,625,715	535,242,866	160.42%	7.60%
2017	2016	6.339136%	917,186,333	506,294,863	181.16%	7.60%

This schedule is intended to show ten years of comparative data. Additional years will be added to the schedule as they become available.
The SCLTDITF is considered immaterial and is not included in the University financial statements.

UNIVERSITY OF SOUTH CAROLINA
Schedule of the University's Contributions
Related to the OPEB Liability
For the Years Ended June 30

South Carolina Retiree Health Insurance Trust Fund (SCRHITF)						
For the Year	Contractually Required Contribution	Contributions Made to Plan	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll	
2025	\$ 39,802,224	\$ 39,802,224	\$ -	\$ 728,744,393	5.46%	
2024	42,989,574	42,989,574	-	673,958,954	6.38%	
2023	38,650,584	38,650,584	-	614,797,607	6.29%	
2022	37,060,640	37,060,640	-	589,814,785	6.28%	
2021	35,137,694	35,137,694	-	572,159,591	6.14%	
2020	33,341,800	33,341,800	-	573,447,183	5.81%	
2019	33,499,169	33,499,169	-	555,380,041	6.03%	
2018	29,477,021	29,477,021	-	548,356,852	5.38%	
2017	28,528,445	28,528,445	-	535,242,866	5.33%	

This schedule is intended to show ten years of comparative data. Additional years will be added to the schedule as they become available.
The SCLTDITF is considered immaterial and is not included in the University financial statements.



Supplementary Information

to the Financial Statements

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UNIVERSITY OF SOUTH CAROLINA
Combining Schedule of Net Position
As of June 30, 2025

	<u>Aiken</u>	<u>Beaufort</u>	<u>Upstate</u>	<u>Columbia and Regionals ⁽¹⁾</u>	<u>University Total</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 34,016,184	\$ 20,863,646	\$ 49,512,335	\$ 991,154,507	\$ 1,095,546,672
Restricted - cash and cash equivalents	18,723,860	24,116,530	37,818,265	544,963,658	625,622,313
Accounts receivable, net	3,041,623	12,185,676	8,916,381	283,078,193	307,221,873
Inventories	-	-	528,320	2,038,330	2,566,650
Prepaid items	-	101,077	-	1,739,021	1,840,098
Funds due from others	-	-	479,693	3,284,100	3,763,793
Total current assets	<u>55,781,667</u>	<u>57,266,929</u>	<u>97,254,994</u>	<u>1,826,257,809</u>	<u>2,036,561,399</u>
Noncurrent assets:					
Restricted - cash and cash equivalents	293,439	79,000	255,725	88,851,487	89,479,651
Investments	-	-	-	4,494,475	4,494,475
Accounts receivable	275,000	16,250,000	-	222,519,742	239,044,742
Prepaid items	-	-	-	1,100,000	1,100,000
Restricted - federal student loans receivable	57,623	-	306,339	3,975,988	4,339,950
Capital assets, net	63,144,009	52,029,153	90,031,202	1,535,356,325	1,740,560,689
Other assets	-	-	-	1,594,257	1,594,257
Total noncurrent assets	<u>63,770,071</u>	<u>68,358,153</u>	<u>90,593,266</u>	<u>1,857,892,274</u>	<u>2,080,613,764</u>
Total assets	<u>119,551,738</u>	<u>125,625,082</u>	<u>187,848,260</u>	<u>3,684,150,083</u>	<u>4,117,175,163</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on debt refunding	845,486	-	1,354,213	9,880,003	12,079,702
Deferred outflows related to net OPEB liability	12,715,754	8,483,762	20,158,946	263,790,516	305,148,978
Deferred outflows related to net pension liability	<u>7,572,468</u>	<u>4,299,095</u>	<u>14,198,596</u>	<u>164,265,129</u>	<u>190,335,288</u>
Total deferred outflows of resources	<u>21,133,708</u>	<u>12,782,857</u>	<u>35,711,755</u>	<u>437,935,648</u>	<u>507,563,968</u>
LIABILITIES					
Current liabilities:					
Accounts payable	219,964	74,860	1,004,358	35,637,203	36,936,385
Accrued interest payable	114,514	19,010	181,896	4,980,109	5,295,529
Accrued payroll and related liabilities	1,061,809	601,958	1,330,281	39,785,165	42,779,213
Accrued compensated absences - current portion	1,088,281	859,171	1,741,981	33,250,661	36,940,094
Lease and subscription obligations - current portion	153,988	100,297	281,069	22,792,411	23,327,765
Bonds and notes payable - current portion	2,324,515	207,660	2,899,738	33,830,880	39,262,793
Unearned revenues	828,532	1,208,968	957,171	41,444,731	44,439,402
Deposits	386,414	81,030	8,450	1,938,553	2,414,447
Other liabilities	5,483	-	2,675	680,309	688,467
Funds held for others	<u>53,343</u>	<u>24,182</u>	<u>-</u>	<u>7,821,769</u>	<u>7,899,294</u>
Total current liabilities	<u>6,236,843</u>	<u>3,177,136</u>	<u>8,407,619</u>	<u>222,161,791</u>	<u>239,983,389</u>
Noncurrent liabilities:					
Accrued compensated absences	264,121	198,775	398,344	9,730,098	10,591,338
Federal loan liability	98,307	-	384,143	4,549,567	5,032,017
Lease and subscription obligations	439,813	200,388	948,042	45,102,103	46,690,346
Bonds and notes payable	11,665,544	1,053,575	26,149,175	586,128,401	624,996,695
Net OPEB liability	38,738,607	26,207,724	63,974,874	835,727,305	964,648,510
Net pension liability	<u>46,574,005</u>	<u>25,139,818</u>	<u>84,301,558</u>	<u>873,273,294</u>	<u>1,029,288,675</u>
Total noncurrent liabilities	<u>97,780,397</u>	<u>52,800,280</u>	<u>176,156,136</u>	<u>2,354,510,768</u>	<u>2,681,247,581</u>
Total liabilities	<u>104,017,240</u>	<u>55,977,416</u>	<u>184,563,755</u>	<u>2,576,672,559</u>	<u>2,921,230,970</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred gain on debt refunding	-	-	644,480	9,444,275	10,088,755
Deferred inflows related to leases	-	-	-	48,940,000	48,940,000
Deferred inflows related to public private partnerships	-	-	-	21,205,018	21,205,018
Deferred inflows related to net OPEB liability	15,043,263	10,764,188	23,611,187	320,847,186	370,265,824
Deferred inflows related to net pension liability	<u>1,914,585</u>	<u>997,729</u>	<u>3,887,731</u>	<u>35,998,723</u>	<u>42,798,768</u>
Total deferred inflows of resources	<u>16,957,848</u>	<u>11,761,917</u>	<u>28,143,398</u>	<u>436,435,202</u>	<u>493,298,365</u>
NET POSITION					
Net investment in capital assets	49,374,392	50,459,082	59,963,326	844,871,207	1,004,668,007
Restricted for:					
Nonexpendable	267,871	79,000	150,651	90,419,288	90,916,810
Expendable	21,247,429	51,828,835	44,632,921	967,165,635	1,084,874,820
Unrestricted	<u>(51,179,334)</u>	<u>(31,698,311)</u>	<u>(93,894,036)</u>	<u>(793,478,160)</u>	<u>(970,249,841)</u>
Total net position	<u>\$ 19,710,358</u>	<u>\$ 70,668,606</u>	<u>\$ 10,852,862</u>	<u>\$ 1,108,977,970</u>	<u>\$ 1,210,209,796</u>

⁽¹⁾ Columbia and Regionals is composed of the Columbia campus, including the School of Medicine with locations in Columbia and Greenville, as well as the Lancaster, Salkehatchie, Sumter and Union campuses.

UNIVERSITY OF SOUTH CAROLINA
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the year ended June 30, 2025

	Aiken	Beaufort	Upstate	Columbia and Regionals ⁽¹⁾	University Total
OPERATING REVENUES					
Student tuition and fees	\$ 38,296,132	\$ 25,529,801	\$ 51,897,505	\$ 897,757,823	\$ 1,013,481,261
Less: scholarship allowance	(19,552,363)	(13,923,854)	(30,069,064)	(339,226,527)	(402,771,808)
Federal grants and contracts	3,130,702	2,772,678	5,453,011	199,134,357	210,490,748
State grants and contracts	10,010,579	5,586,021	14,188,015	141,914,253	171,698,868
Local grants and contracts	11,606	484,775	9,308	379,161	884,850
Nongovernmental grants and contracts	32	49,743	345,548	54,654,955	55,050,278
Sales and services of educational and other activities	2,339,508	742,560	3,181,993	32,129,915	38,393,976
Sales and services of auxiliary enterprises	5,176,778	359,789	8,397,913	249,465,743	263,400,223
Less: scholarship allowance	(1,379,190)	-	(1,609,334)	(8,436,076)	(11,424,600)
Interest collected on student loans	3,391	-	3,430	116,127	122,948
Other fees	203,126	108,235	367,244	15,969,604	16,648,209
Other operating revenues	430,143	5,500	411,594	2,672,565	3,519,802
Total operating revenues	38,670,444	21,715,248	52,577,163	1,246,531,900	1,359,494,755
OPERATING EXPENSES					
Salaries and wages	33,470,387	20,853,453	47,507,415	731,322,891	833,154,146
Fringe benefits	13,323,161	8,719,816	19,155,540	265,707,377	306,905,894
Services and supplies	16,789,294	9,294,659	18,218,602	426,285,054	470,587,609
Utilities	1,936,803	1,259,378	2,333,898	34,666,682	40,196,761
Scholarships and fellowships	3,535,430	3,482,519	4,925,529	48,049,046	59,992,524
Depreciation and amortization expense	4,099,065	2,333,881	4,553,065	97,532,381	108,518,392
Total operating expenses	73,154,140	45,943,706	96,694,049	1,603,563,431	1,819,355,326
Operating loss	(34,483,696)	(24,228,458)	(44,116,886)	(357,031,531)	(459,860,571)
NONOPERATING REVENUES (EXPENSES)					
State appropriations	25,311,088	16,284,774	36,172,934	346,936,952	424,705,748
Local appropriations	114,261	2,174,265	-	1,545,043	3,833,569
Federal grants	9,266,129	6,270,081	15,025,587	50,156,935	80,718,732
Gifts	2,267,647	842,967	859,251	45,082,278	49,052,143
Investment income	370,180	165,887	796,707	34,762,235	36,095,009
Endowment income	16,498	2,375	4,102	7,651,149	7,674,124
Loss on disposal of capital assets	(287,217)	(1,111)	(5,057,288)	(1,376,636)	(6,722,252)
Interest on capital asset related debt	(423,974)	(33,426)	(1,229,050)	(24,477,674)	(26,164,124)
Net nonoperating revenues	36,634,612	25,705,812	46,572,243	460,280,282	569,192,949
Income before other revenues	2,150,916	1,477,354	2,455,357	103,248,751	109,332,378
State capital appropriations	5,000,000	11,500,000	9,000,000	462,174,999	487,674,999
Capital grants and gifts	243,814	-	-	4,447,291	4,691,105
Additions to permanent endowments	-	-	-	60,139	60,139
Transfers (to) from other campuses, net	409,094	461,761	383,997	(1,254,852)	-
Change in net position	7,803,824	13,439,115	11,839,354	568,676,328	601,758,621
NET POSITION, BEGINNING OF YEAR	11,906,534	57,229,491	(986,492)	540,301,642	608,451,175
NET POSITION, END OF YEAR	\$ 19,710,358	\$ 70,668,606	\$ 10,852,862	\$ 1,108,977,970	\$ 1,210,209,796

(1) Columbia and Regionals is composed of the Columbia campus, including the School of Medicine with locations in Columbia and Greenville, as well as the Lancaster, Salkehatchie, Sumter and Union campuses.



Statistical Section

(Unaudited)

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UNIVERSITY OF SOUTH CAROLINA Statistical Section

This section of the University of South Carolina Annual Comprehensive Financial Report presents detailed data as context for understanding and analyzing the information provided in the financial statements, note disclosures and required supplementary information. This supporting documentation conveys a broad perspective on the University's and State of South Carolina's financial condition.

Financial Trends

92-96

These schedules contain trend information to help the reader understand how the University's financial performance has changed over time.

- Schedule of Revenues By Source
- Schedule of Expenses By Use
- Schedule of Expenses By Function
- Schedule of Net Position and Changes in Net Position

Debt Capacity

97-99

These schedules present information to help the reader assess the affordability of the University's current levels of outstanding debt and its ability to issue additional debt in the future.

- Schedule of Ratios of Outstanding Debt
- Schedule of Bond Coverage

Operating Information

100-106

These schedules contain information about the University's operations and resources to help the reader understand how the University's financial information relates to the services it provides.

- Schedule of Capital Asset Information
- Schedule of Enrollment Statistics
- Schedule of Degree Data
- Schedule of Admissions Statistics
- Faculty and Staff Statistics
- Undergraduate Required Tuition and Fees – Resident
- Undergraduate Required Tuition and Fees – Nonresident

Demographic and Economic Information

107-108

These schedules offer demographic and economic indicators to help the reader understand the environment within which the University's financial activities take place and to help make comparisons over time.

- State of South Carolina Demographic Statistics
- State of South Carolina Ten Largest Employers

Sources: Unless otherwise noted, the information in these schedules is derived from the Financial Statements for the relevant years.

UNIVERSITY OF SOUTH CAROLINA
Schedule of Revenues By Source

(amounts expressed in thousands)

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Student tuition and fees										
(net of scholarship allowances)	\$ 610,709	\$ 580,826	\$ 555,057	\$ 556,638	\$ 571,615	\$ 584,675	\$ 572,919	\$ 552,222	\$ 520,904	\$ 481,768
Federal grants and contracts	210,491	189,966	162,993	145,812	149,735	155,869	140,512	126,683	107,649	136,661
State grants and contracts	171,699	163,200	160,675	154,184	134,160	127,858	123,753	119,391	123,775	93,079
Local grants and contracts	885	1,286	2,524	1,027	1,221	1,117	1,525	1,163	1,278	1,365
Nongovernmental grants and contracts	55,050	62,344	54,223	68,952	54,234	39,626	47,496	42,396	39,518	32,854
Sales and services of educational and other activities	38,394	36,983	34,599	33,045	22,452	32,717	33,955	30,077	33,535	32,837
Sales and services of auxiliary enterprises (net of scholarship allowances)	251,976	224,677	205,530	189,453	174,981	170,329	186,678	186,207	168,127	161,143
Interest collected on student loans	123	135	144	202	277	324	342	297	271	295
Other fees	16,648	19,129	15,275	13,768	8,419	14,264	13,441	11,569	10,946	9,778
Other operating revenues	3,520	3,332	8,104	6,714	5,094	5,710	7,481	3,098	2,466	5,240
Total Operating Revenues	1,359,495	1,281,878	1,199,124	1,169,795	1,122,188	1,132,489	1,128,102	1,073,103	1,008,469	955,020
State and local appropriations	428,539	431,466	293,184	229,088	206,150	201,725	175,649	163,371	158,735	149,059
Federal grants	80,719	61,079	66,334	158,559	166,710	56,030	57,831	57,365	50,127	52,293
Gifts	49,052	59,812	56,075	50,382	31,762	45,065	47,750	55,519	53,891	42,160
Investment income (loss)	36,095	19,981	10,693	(15,730)	5,809	11,944	11,260	4,184	2,533	3,641
Endowment income (loss)	7,674	4,406	142	(17,498)	(939)	14,611	13,550	(180)	2,897	6,862
Other nonoperating revenues	-	-	-	-	-	-	-	-	-	-
Gain on disposal of capital assets	-	-	-	-	1,568	-	587	-	-	-
Total Nonoperating Revenues	602,079	576,744	426,428	404,801	411,060	329,375	306,627	280,259	268,183	254,015
Total Revenues	\$ 1,961,574	\$ 1,858,622	\$ 1,625,552	\$ 1,574,596	\$ 1,533,248	\$ 1,461,864	\$ 1,434,729	\$ 1,353,362	\$ 1,276,652	\$ 1,209,035

UNIVERSITY OF SOUTH CAROLINA
Schedule of Revenues By Source

	<i>(percent of total revenues)</i>									
For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Student tuition and fees										
(net of scholarship allowances)	31%	33%	35%	36%	38%	39%	40%	41%	41%	40%
Federal grants and contracts	11%	10%	10%	9%	10%	11%	10%	9%	8%	11%
State grants and contracts	9%	9%	10%	10%	9%	9%	9%	9%	10%	8%
Local grants and contracts	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Nongovernmental grants and contracts	3%	3%	3%	4%	4%	3%	3%	3%	3%	3%
Sales and services of educational and other activities	2%	2%	2%	2%	1%	2%	2%	2%	3%	3%
Sales and services of auxiliary enterprises (net of scholarship allowances)	13%	12%	13%	12%	11%	12%	13%	14%	13%	13%
Interest collected on student loans	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other fees	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Other operating revenues	0%	0%	0%	0%	0%	0%	1%	0%	1%	1%
Total Operating Revenues	70%	70%	74%	74%	74%	77%	79%	79%	80%	80%
State appropriations	21%	23%	18%	15%	13%	14%	12%	12%	12%	12%
Federal grants	4%	3%	4%	10%	11%	4%	4%	4%	4%	4%
Gifts	3%	3%	3%	3%	2%	3%	3%	4%	4%	3%
Investment income	2%	1%	1%	-1%	0%	1%	1%	1%	0%	0%
Endowment income (loss)	0%	0%	0%	-1%	0%	1%	1%	0%	0%	1%
Other nonoperating revenues	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Gain on disposal of capital assets	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total Nonoperating Revenues	30%	30%	26%	26%	26%	23%	21%	21%	20%	20%
Total Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

UNIVERSITY OF SOUTH CAROLINA
Schedule of Expenses By Use

(amounts expressed in thousands)

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Salaries and fringe benefits	\$ 1,140,059	\$ 1,031,392	\$ 968,875	\$ 952,574	\$ 983,888	\$ 949,028	\$ 896,681	\$ 857,594	\$ 820,418	\$ 770,921
Services and supplies	470,588	443,503	406,767	391,910	305,116	339,933	344,703	311,223	292,965	278,641
Utilities	40,197	40,227	37,118	35,410	29,561	29,955	31,069	37,641	34,715	34,526
Scholarships and fellowships	59,993	48,806	43,802	91,560	58,983	51,310	34,130	29,604	28,177	21,756
Depreciation and amortization	108,518	118,545	93,689	85,718	79,124	77,438	71,611	68,990	65,473	60,566
Total Operating Expenses	1,819,355	1,682,473	1,550,251	1,557,172	1,456,672	1,447,664	1,378,194	1,305,052	1,241,748	1,166,410
Loss on disposal of capital assets	6,722	5,276	1,266	421	-	928	-	2,258	12,489	136
Interest on capital asset related debt	26,164	27,364	26,701	26,243	12,871	14,859	14,517	15,662	18,691	23,881
Total Nonoperating Expenses	32,886	32,640	27,967	26,664	12,871	15,787	14,517	17,920	31,180	24,017
Total Expenses	\$ 1,852,241	\$ 1,715,113	\$ 1,578,218	\$ 1,583,836	\$ 1,469,543	\$ 1,463,451	\$ 1,392,711	\$ 1,322,972	\$ 1,272,928	\$ 1,190,427

(percent of total expenses)

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Salaries and fringe benefits	62%	60%	61%	60%	67%	65%	65%	65%	64%	65%
Services and supplies	25%	26%	26%	25%	21%	23%	25%	24%	23%	23%
Utilities	2%	2%	2%	2%	2%	2%	2%	3%	3%	3%
Scholarships and fellowships	4%	3%	3%	6%	4%	4%	2%	2%	2%	2%
Depreciation and amortization	6%	7%	6%	5%	5%	5%	5%	5%	5%	5%
Total Operating Expenses	99%	98%	98%	98%	99%	99%	99%	99%	97%	98%
Loss on disposal of capital assets	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%
Interest on capital asset related debt	1%	2%	2%	2%	1%	1%	1%	1%	2%	2%
Total Nonoperating Expenses	1%	2%	2%	2%	1%	1%	1%	1%	3%	2%
Total Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

UNIVERSITY OF SOUTH CAROLINA
Schedule of Expenses By Function

(amounts expressed in thousands)

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Instruction	\$ 587,269	\$ 563,004	\$ 518,896	\$ 490,524	\$ 454,054	\$ 466,159	\$ 458,854	\$ 450,545	\$ 433,832	\$ 390,960
Research	197,959	186,458	164,334	150,321	137,096	137,550	145,706	131,526	134,846	121,960
Public service	98,680	94,382	78,335	78,648	80,820	72,951	59,528	65,851	63,819	66,361
Academic support	140,549	128,346	124,155	114,380	108,678	114,668	100,798	92,241	89,217	88,993
Student services	119,341	105,169	95,751	84,782	73,130	81,230	81,363	76,840	75,956	70,329
Institutional support	135,324	130,591	120,470	111,374	89,269	93,853	87,384	99,244	94,108	85,436
Operation and plant maintenance	139,844	128,608	118,715	121,604	106,374	110,938	108,980	126,394	119,293	119,626
Auxiliary enterprises	246,692	223,681	194,376	183,570	163,930	163,825	167,468	166,188	139,660	142,146
Scholarships and fellowships	55,672	43,540	38,377	81,837	55,531	48,087	30,578	27,233	25,544	20,033
Depreciation and amortization	108,518	118,545	93,689	85,718	79,124	77,438	71,611	68,990	65,473	60,566
Loss on disposal of capital assets	6,722	5,276	1,266	421	-	928	-	2,258	12,489	136
Interest on capital debt	26,164	27,364	26,701	26,243	12,871	14,859	14,517	15,662	18,691	23,881
Pension and OPEB expense	(10,493)	(39,851)	3,153	54,414	108,666	80,965	65,924	-	-	-
Total Expenses	\$ 1,852,241	\$ 1,715,113	\$ 1,578,218	\$ 1,583,836	\$ 1,469,543	\$ 1,463,451	\$ 1,392,711	\$ 1,322,972	\$ 1,272,928	\$ 1,190,427

(percent of total expenses)

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Instruction	32%	33%	33%	31%	31%	32%	34%	34%	34%	33%
Research	11%	11%	10%	10%	10%	9%	10%	10%	11%	10%
Public service	5%	5%	5%	5%	5%	5%	4%	5%	5%	6%
Academic support	8%	7%	8%	7%	8%	8%	7%	7%	7%	7%
Student services	6%	6%	6%	5%	5%	6%	6%	6%	6%	6%
Institutional support	7%	8%	8%	7%	6%	6%	6%	7%	7%	7%
Operation and plant maintenance	8%	7%	8%	8%	7%	8%	8%	10%	9%	10%
Auxiliary enterprises	13%	13%	12%	12%	11%	11%	12%	13%	11%	12%
Scholarships and fellowships	4%	3%	2%	5%	4%	3%	2%	2%	3%	2%
Depreciation and amortization	6%	7%	6%	5%	5%	5%	5%	5%	5%	5%
Loss on disposal of capital assets	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%
Interest on capital debt	1%	2%	2%	2%	1%	1%	1%	1%	1%	2%
Pension and OPEB expense	-1%	-2%	0%	3%	7%	6%	5%	0%	0%	0%
Total Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

UNIVERSITY OF SOUTH CAROLINA
Schedule of Net Position and Changes in Net Position

(amounts expressed in thousands)

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total revenues (from schedule of revenues by source)	\$ 1,961,574	\$ 1,858,622	\$ 1,625,552	\$ 1,574,596	\$ 1,533,248	\$ 1,461,864	\$ 1,434,729	\$ 1,353,362	\$ 1,276,652	\$ 1,209,035
Total expenses (from schedule of expenses by use and function)	(1,852,241)	(1,715,113)	(1,578,218)	(1,583,836)	(1,469,543)	(1,463,451)	(1,392,711)	(1,322,972)	(1,272,928)	(1,190,427)
Income (loss) before other revenues, and transfers	109,333	143,509	47,334	(9,240)	63,705	(1,587)	42,018	30,390	3,724	18,608
State capital appropriations	487,675	88,463	114,350	146,998	6,567	20,397	11,069	272	3,153	23,681
Capital grants and gifts	4,691	50,597	9,112	6,786	6,241	8,710	20,184	27,070	14,717	3,466
Additions to permanent endowments	60	4,437	254	424	1,643	53	477	3,567	2,000	361
Total changes in net position	601,759	287,006	171,050	144,968	78,156	27,573	73,748	61,299	23,594	46,116
Net position, beginning, as originally stated	608,451	321,445	150,395	5,427	(72,729)	(100,302)	(174,050)	695,371	671,777	625,661
Restatement	-	-	-	-	-	-	-	(930,720)	-	-
Net position, beginning, as restated	608,451	321,445	150,395	5,427	(72,729)	(100,302)	(174,050)	(235,349)	671,777	625,661
Net Position, Ending	1,210,210	608,451	321,445	150,395	5,427	\$ (72,729)	\$ (100,302)	\$ (174,050)	\$ 695,371	\$ 671,777
Net investment in capital assets	1,004,668	898,035	844,709	854,603	879,382	\$ 869,496	\$ 855,079	\$ 817,715	\$ 776,825	\$ 757,731
Restricted - nonexpendable	90,917	91,292	87,653	87,255	87,801	85,738	86,795	85,425	84,984	82,789
Restricted - expendable	1,084,875	563,920	446,306	309,704	240,046	160,681	168,324	135,216	132,300	140,036
Unrestricted	(970,250)	(944,796)	(1,057,223)	(1,101,167)	(1,201,802)	(1,188,644)	(1,210,500)	(1,212,406)	(298,738)	(308,779)
Total	\$ 1,210,210	\$ 608,451	\$ 321,445	\$ 150,395	\$ 5,427	\$ (72,729)	\$ (100,302)	\$ (174,050)	\$ 695,371	\$ 671,777

UNIVERSITY OF SOUTH CAROLINA

Schedule of Ratios of Outstanding Debt

(amounts expressed in thousands except for the FTE students and outstanding debt per student)

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
State institution bonds	\$ 83,730	\$ 94,085	\$ 104,385	\$ 115,320	\$ 128,040	\$ 143,020	\$ 154,920	\$ 166,955	\$ 138,660	\$ 147,990
Revenue bonds	324,900	340,650	358,200	369,800	390,310	221,260	232,150	242,540	254,820	272,520
Athletic facilities revenue bonds	153,235	158,880	164,250	169,360	162,830	167,545	173,600	178,200	186,280	151,270
Subtotal Bonds Payable	561,865	593,615	626,835	654,480	681,180	531,825	560,670	587,695	579,760	571,780
Unamortized bond premiums	102,206	107,266	111,654	116,903	116,798	71,820	76,579	80,114	67,828	48,022
Unamortized bond discounts	-	-	-	-	(142)	(155)	(168)	(180)	(542)	(571)
Total Bonds Payable	664,071	700,881	738,489	771,383	797,836	603,490	637,081	667,629	647,046	619,231
Notes payable	188	233	277	320	362	403	493	98	144	190
Lease and subscription obligation	70,018	38,332	41,889	39,312	1,828	1,395	976	743	396	14,824
Total Outstanding Debt	\$ 734,277	\$ 739,446	\$ 780,655	\$ 811,015	\$ 800,026	\$ 605,288	\$ 638,550	\$ 668,470	\$ 647,586	\$ 634,245
Full Time Equivalent Students	49,853	47,242	45,552	45,633	46,568	46,727	46,067	45,641	44,646	44,229
Outstanding Debt per Student	\$ 14,729	\$ 15,652	\$ 17,138	\$ 17,773	\$ 17,180	\$ 12,954	\$ 13,861	\$ 14,646	\$ 14,505	\$ 14,340

Note: Outstanding debt per student calculated using Fall semester full-time equivalent student enrollment data for the last ten academic years.

Source: USC annual Bond Indebtedness Reports, annual Reports on Financial Statements, and Office of Institutional Research, Assessment and Analytics

UNIVERSITY OF SOUTH CAROLINA
Schedule of Bond Coverage
(amounts expressed in thousands)

State Institution Bonds

Fiscal Year Ended June 30,	Tuition Fees ⁽¹⁾	Debt Service Requirements			Tuition Fees Coverage Ratio
		Principal	Interest	Total	
2025	\$ 37,454	\$ 10,355	\$ 3,749	14,104	2.66
2024	34,760	10,300	4,252	14,552	2.39
2023	34,694	10,935	4,766	15,701	2.21
2022	34,713	12,720	5,402	18,122	1.92
2021	35,404	12,335	5,878	18,213	1.94
2020	35,492	11,900	6,588	18,488	1.92
2019	35,092	11,390	7,178	18,568	1.89
2018	34,643	11,155	7,296	18,451	1.88
2017	32,251	9,330	6,351	15,681	2.06
2016	31,865	11,840	6,525	18,365	1.74

Higher Education Revenue Bonds

Fiscal Year Ended June 30,	Revenues ⁽²⁾	Operating Expenses	Net Revenues ⁽²⁾	Additional Funds ⁽²⁾	Debt Service Requirements			Net Revenues Coverage Ratio	Total Net Revenues and Additional Funds Coverage Ratio
					Principal	Interest	Total		
2025	\$ 110,376	\$ 68,904	\$ 41,472	\$ 1,060,637	\$ 13,270	\$ 14,243	\$ 27,513	1.51	40.06
2024	100,714	62,621	38,093	1,003,886	13,005	14,542	27,547	1.38	37.83
2023	84,050	55,768	28,282	965,506	9,355	15,225	24,580	1.15	40.43
2022	81,349	50,316	31,033	968,477	9,040	14,178	23,218	1.34	43.05
2021	81,129	50,489	30,640	922,987	8,610	8,150	16,760	1.83	56.90
2020	65,137	47,964	17,173	978,757	8,615	8,574	17,189	1.00	57.94
2019	77,112	48,166	28,946	956,441	8,225	8,964	17,189	1.68	57.33
2018	76,569	47,171	29,398	919,152	8,455	8,947	17,402	1.69	54.51
2017	66,662	41,752	24,910	861,199	7,560	8,957	16,517	1.51	53.65
2016	64,576	37,074	27,502	820,220	6,180	10,345	16,525	1.66	51.30

Special Higher Education Revenue Bonds

Fiscal Year Ended June 30,	Revenues ⁽³⁾	Additional Funds	Pledged Revenues ⁽³⁾	Debt Service Requirements			Pledged Revenues Coverage Ratio
				Principal ⁽⁴⁾	Interest	Total	
2025	\$ 73,596	\$ 987,041	\$ 1,060,637	\$ 2,480	\$ 1,760	\$ 4,240	250.15
2024	93,255	910,631	1,003,886	2,360	1,878	4,238	236.88
2023	78,256	887,250	965,506	2,245	1,990	4,235	227.98
2022	87,005	881,472	968,477	-	1,509	1,509	641.80
2021	54,441	868,546	922,987	2,385	2,574	4,959	186.12
2020	69,205	909,552	978,757	2,275	2,688	4,963	197.21
2019	72,521	883,920	956,441	2,165	2,796	4,961	192.79
2018	76,196	842,956	919,152	2,080	2,879	4,959	185.35
2017	68,844	792,355	861,199	2,000	2,959	4,959	173.66
2016	68,807	751,413	820,220	1,945	3,008	4,953	165.60

Source: USC Annual Bond Indebtedness Reports and Annual Reports on Financial Statements.

⁽¹⁾ "Tuition Fees" as defined at Section 59-107-30 of the Code of Laws of South Carolina 1976, as amended.

⁽²⁾ Such terms have the meaning given thereto in that bond resolution adopted by the Board of Trustees of the University on June 21, 1996, as amended.

⁽³⁾ Such terms have the meaning given thereto in that bond resolution adopted by the Board of Trustees of the University on October 15, 2021. For the years prior to such date, the terms and methodology of calculation are consistent with the terms defined in the October 15, 2021 resolution.

⁽⁴⁾ Interest payments only in fiscal year 2022 due to bond refunding.

UNIVERSITY OF SOUTH CAROLINA
Schedule of Bond Coverage
(amounts expressed in thousands)

Athletic Facilities Revenue Bonds

Fiscal Year Ended June 30,	Athletic Revenues	Athletic Operating Expenses & Mandatory Transfers	Net Athletic Revenues	Special Student Fee	Admissions Fees	Interest Earnings & Miscellaneous	Total Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
								Principal	Interest	Total	
2025	\$ 195,231	\$ 190,010	\$ 5,221	\$ 2,364	\$ 6,730	\$ 58	\$ 14,373	\$ 5,645	\$ 7,421	\$ 13,066	1.10
2024	176,505	170,968	5,537	2,233	6,543	86	14,399	5,370	7,690	13,060	1.10
2023	157,720	149,053	8,667	2,171	6,132	38	17,008	5,110	7,946	13,056	1.30
2022	138,861	132,654	6,207	2,128	5,621	86	14,042	4,660	7,171	11,831	1.19
2021	147,774	117,880	29,894	2,127	769	141	32,931	4,715	7,666	12,381	2.66
2020	127,854	119,804	8,050	2,173	6,557	197	16,977	4,810	7,953	12,763	1.33
2019	137,088	123,745	13,343	1,920	5,804	141	21,208	4,600	8,157	12,757	1.66
2018	137,383	122,376	15,007	1,862	3,929	219	21,016	4,475	7,665	12,140	1.73
2017	132,343	118,671	13,672	1,778	3,832	1,496	20,778	3,675	6,694	10,369	2.00
2016	120,086	105,948	14,138	1,765	3,516	195	19,614	3,480	7,269	10,749	1.82

UNIVERSITY OF SOUTH CAROLINA
Schedule of Capital Asset Information

For the Year Ended June 30,	2025	2024	2023	2022	2021 ⁽⁵⁾	2020	2019	2018	2017	2016
Assignable Area By Room Use/Function Use Codes ⁽¹⁾										
Classrooms	433,574	432,392	430,576	423,739	418,397	422,597	422,677	437,814	438,912	432,238
Laboratories	1,228,425	1,246,757	1,240,319	1,235,789	1,215,833	1,208,067	1,157,861	1,117,807	1,107,059	1,078,722
Office, Support and Other	4,333,611	4,286,216	4,281,452	4,367,168	4,477,828	4,484,830	4,438,727	4,393,442	4,437,706	4,166,176
Auxiliary Services	4,641,985	4,621,154	3,857,697	3,846,362	3,786,353	3,829,258	3,823,662	3,784,269	4,158,803	4,172,001
Total Assignable Square Feet	10,637,595	10,586,519	9,810,044	9,873,058	9,898,411	9,944,752	9,842,927	9,733,332	10,142,480	9,849,137
Student Housing ⁽²⁾										
Traditional Residence Hall Beds	1,583	1,523	1,200	1,172	1,172	1,171	1,338	1,170	1,172	1,172
Suite-Style Hall Beds	4,457	4,318	3,208	3,113	3,113	3,110	3,015	3,122	3,111	3,295
Apartments and Apartment-Style Hall Beds	3,531	3,482	3,987	3,392	3,406	2,961	2,977	3,100	2,351	2,215
Units available	9,571	9,323	8,395	7,677	7,691	7,242	7,330	7,392	6,634	6,682
Units in use	8,728	8,811	8,332	7,344	6,093	7,206	7,283	7,302	6,573	6,643
Percent occupancy	91.2%	94.5%	99.2%	95.7%	79.2%	99.5%	99.4%	98.8%	99.1%	99.4%
Dining Facilities ⁽³⁾										
Locations	34	35	32	38	36	36	33	31	27	27
Average daily customers	16,921	15,452	13,703	11,277	9,117	19,481	19,476	18,719	18,664	18,664
Parking Facilities ⁽⁴⁾										
Parking spaces available	17,812	16,411	15,015	13,589	12,084	12,330	11,595	11,595	11,595	14,509
Parking permits issued to students	13,727	11,714	12,587	13,729	9,884	15,428	13,140	12,608	14,211	15,982
Parking permits issued to faculty/staff	5,221	4,801	4,965	4,054	5,473	7,602	5,897	5,925	6,192	7,211

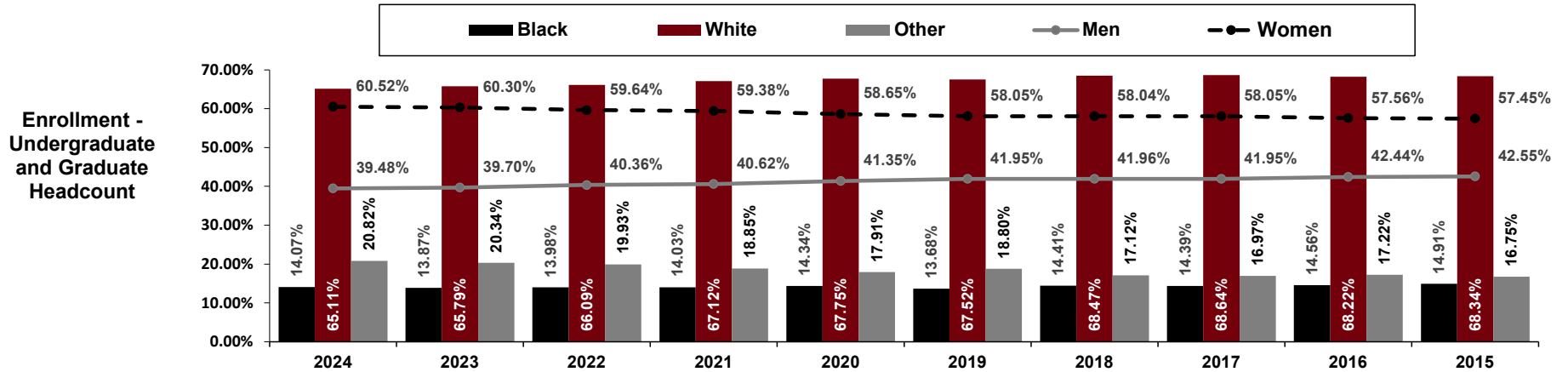
Notes:

- (1) Assignable Area by Room Use and Function Use Codes as annually reported to the South Carolina Commission on Higher Education. This is a combination of two reports.
- (2) Student Housing is available on the USC Columbia, USC Aiken, USC Beaufort and USC Upstate campuses. All of USC Beaufort and a portion of USC Upstate are outsourced. This reporting is USC Columbia only. Columbia Student Housing bed count does not include 743 beds in the Greek Village. These facilities are on leased University land, but the facilities are not assets of the University. Columbia Apartments and Apartment-Style Housing includes 845 beds leased from a private developer to accommodate the size of the freshman class.
- (3) Dining Facilities are available on the USC Columbia, USC Aiken, USC Beaufort, and USC Upstate campuses. All dining facilities are outsourced. This reporting is USC Columbia only.
- (4) Parking Facilities are available on all USC campuses. Only USC Columbia treats parking operations as an auxiliary enterprise. This reporting is USC Columbia only.
- (5) 2021 numbers reflect the impacts of the 2019 novel coronavirus (COVID-19).

UNIVERSITY OF SOUTH CAROLINA
Schedule of Enrollment Statistics
Last Ten Academic Years - Fall Enrollments

USC System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Undergraduate and Graduate FTE	49,853	47,242	45,552	45,633	46,568	46,727	46,067	45,641	44,646	44,229
Undergraduate and Graduate Head Count	56,167	53,455	51,409	51,853	52,604	52,633	51,439	51,130	50,099	49,449
Percentage of Men	39.48%	39.70%	40.36%	40.62%	41.35%	41.95%	41.96%	41.95%	42.44%	42.55%
Percentage of Women	60.52%	60.30%	59.64%	59.38%	58.65%	58.05%	58.04%	58.05%	57.56%	57.45%
Percentage of White	65.11%	65.79%	66.09%	67.12%	67.75%	67.52%	68.47%	68.64%	68.22%	68.34%
Percentage of African American or Black	14.07%	13.87%	13.98%	14.03%	14.34%	13.68%	14.41%	14.39%	14.56%	14.91%
Percentage of Other Race and Not Reported	20.82%	20.34%	19.93%	18.85%	17.91%	18.80%	17.12%	16.97%	17.22%	16.75%



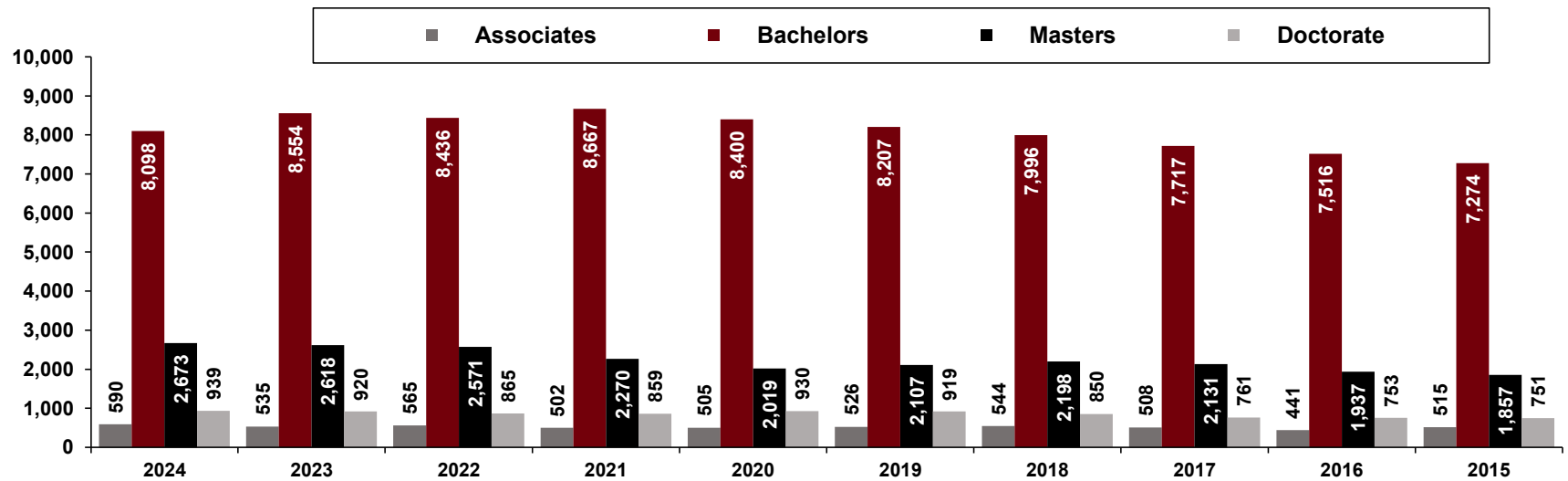
USC Columbia (including the SOMs)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Undergraduate and Graduate FTE	36,605	34,692	33,468	33,065	33,394	33,288	32,636	32,426	31,774	31,488
Undergraduate and Graduate Head Count	38,503	36,538	35,590	35,388	35,468	35,364	34,795	34,731	34,099	33,724
Percentage of Men	40.13%	40.99%	42.25%	43.07%	44.45%	44.88%	45.08%	44.58%	45.02%	44.80%
Percentage of Women	59.87%	59.01%	57.75%	56.93%	55.55%	55.12%	54.92%	55.42%	54.98%	55.20%
Percentage of White	68.86%	69.68%	69.67%	70.94%	72.04%	72.79%	73.39%	73.39%	73.84%	73.94%
Percentage of African American or Black	10.43%	10.08%	10.01%	9.56%	9.56%	8.81%	9.10%	9.40%	10.05%	10.43%
Percentage of Other Race and Not Reported	20.71%	20.24%	20.32%	19.50%	18.40%	18.40%	17.51%	17.21%	16.11%	15.63%

UNIVERSITY OF SOUTH CAROLINA
Schedule of Degree Data
 Last Ten Academic Years - Fall Enrollments

USC System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Associates	590	535	565	502	505	526	544	508	441	515
Bachelors	8,098	8,554	8,436	8,667	8,400	8,207	7,996	7,717	7,516	7,274
Masters	2,673	2,618	2,571	2,270	2,019	2,107	2,198	2,131	1,937	1,857
Doctorate	939	920	865	859	930	919	850	761	753	751
Total Degrees Awarded	12,300	12,627	12,437	12,298	11,854	11,759	11,588	11,117	10,647	10,397



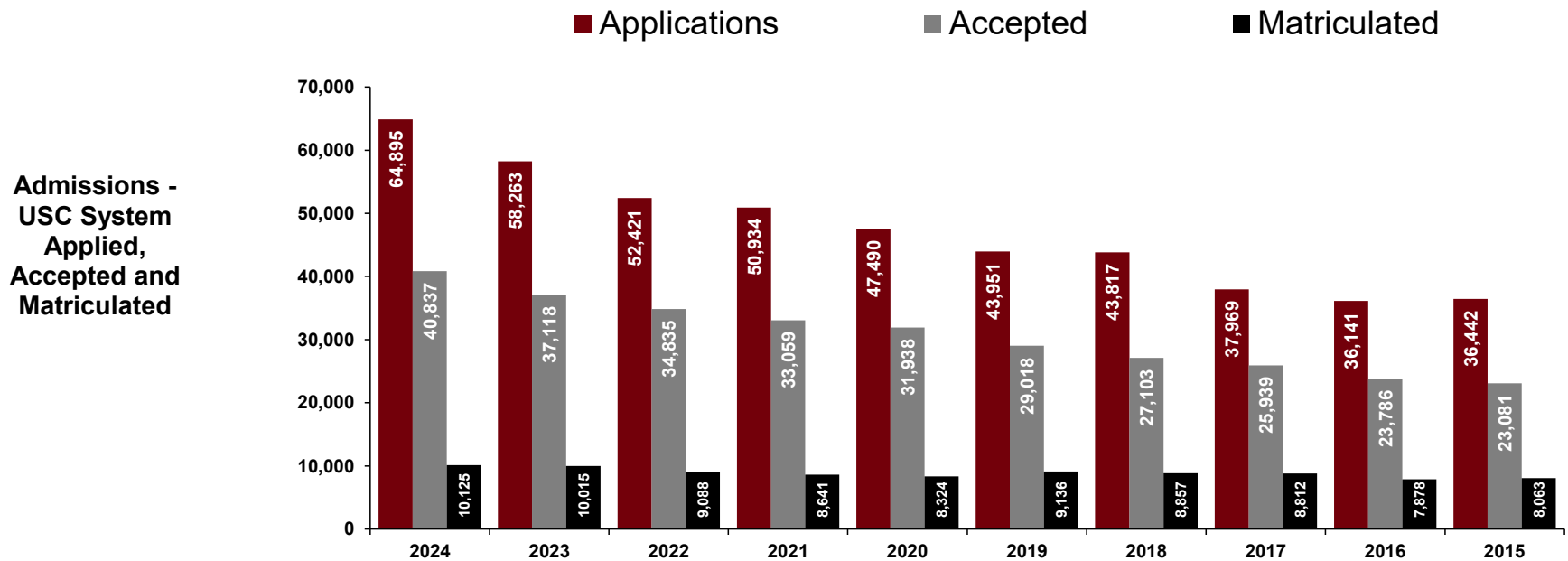
USC Columbia (including the SOMs)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Associates	-	-	1	-	4	-	2	6	3	4
Bachelors	6,091	6,545	6,350	6,522	6,154	6,039	5,868	5,675	5,529	5,427
Masters	2,200	2,254	2,062	2,047	1,927	2,048	2,158	2,094	1,910	1,827
Doctorate	939	920	865	859	930	919	850	761	753	751
Total Degrees Awarded	9,230	9,719	9,278	9,428	9,015	9,006	8,878	8,536	8,195	8,009

UNIVERSITY OF SOUTH CAROLINA COLUMBIA
Schedule of Admissions Statistics
 Last Ten Academic Years - Fall Enrollments

USC System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Number of Applications Received	64,895	58,263	52,421	50,934	47,490	43,951	43,817	37,969	36,141	36,442
Number of Acceptances	40,837	37,118	34,835	33,059	31,938	29,018	27,103	25,939	23,786	23,081
Number of Students Matriculated	10,125	10,015	9,088	8,641	8,324	9,136	8,857	8,812	7,878	8,063
Accepted as a Percentage of Applicants	62.93%	63.71%	66.45%	64.91%	67.25%	66.02%	61.85%	68.32%	65.81%	63.34%
Enrolled as a Percentage of Accepted	24.79%	26.98%	26.09%	26.14%	26.06%	31.48%	32.68%	33.97%	33.12%	34.93%



USC Columbia

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Number of Applications Received	52,231	46,693	42,193	42,055	34,995	31,268	30,889	26,019	25,057	25,736
Number of Acceptances	31,548	28,714	27,026	25,893	23,893	21,464	19,480	18,811	17,073	16,611
Number of Students Matriculated	7,273	7,319	6,574	6,179	5,742	6,286	5,854	5,880	5,110	5,156
Accepted as a Percentage of Applicants	60.40%	61.50%	64.05%	61.57%	68.28%	68.65%	63.06%	72.30%	68.14%	64.54%
Enrolled as a Percentage of Accepted	23.05%	25.49%	24.32%	23.86%	24.03%	29.29%	30.05%	31.26%	29.93%	31.04%
Median Combined SAT Score	1,270	1,280	1,280	1,250	1,241	1,270	1,275	1,254	1,215	1,210
South Carolina Average SAT Score	1,008	1,020	1,023	1,028	1,019	1,070	1,064	1,085	987	978

UNIVERSITY OF SOUTH CAROLINA
Faculty and Staff Statistics
Last Ten Academic Years as of October

USC System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Faculty ⁽¹⁾										
Number of FTE Faculty	2,781	2,737	2,708	2,655	2,683	2,731	2,674	2,698	2,778	2,527
Number of Full-time Faculty	2,405	2,345	2,338	2,276	2,304	2,309	2,267	2,305	2,310	2,068
Number of Part-time Faculty	1,129	1,172	1,113	1,140	1,132	1,270	1,222	1,179	1,404	1,377
Number of Tenured Faculty	1,557	1,536	1,561	1,533	1,564	1,507	1,517	1,565	1,525	1,256
Tenure Ratio (%) Full-time	65%	66%	67%	67%	68%	65%	67%	68%	66%	61%
Total Employees ⁽²⁾										
Full-time FTE Position	6,575	6,390	6,179	6,096	6,286	6,411	6,285	6,263	6,267	6,084
Part-time FTE Position	62	50	54	58	65	68	71	73	71	82
Temporary	3,008	3,034	3,006	2,990	3,014	3,539	3,502	3,641	3,576	3,335
Research Grant	875	797	749	744	743	731	792	836	822	892
Students	7,848	7,573	7,047	6,327	5,699	7,702	7,902	7,462	7,256	7,345
Total Employees	18,368	17,844	17,035	16,215	15,807	18,451	18,552	18,275	17,992	17,738
Students per FTE										
Faculty	17.93	17.26	16.82	17.19	17.36	17.11	17.23	16.92	16.07	17.50
Full-time Employees	7.58	7.39	7.37	7.49	7.41	7.29	7.33	7.29	7.12	7.27

USC Columbia (including the SOMs)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Faculty ⁽¹⁾										
Number of FTE Faculty	2,012	1,979	1,943	1,894	1,903	1,911	1,886	1,914	1,999	1,869
Number of Full-time Faculty	1,806	1,753	1,737	1,675	1,693	1,689	1,667	1,701	1,707	1,581
Number of Part-time Faculty	619	679	618	657	631	665	658	640	877	864
Number of Tenured Faculty	1,133	1,114	1,126	1,102	1,126	1,111	1,092	1,113	1,105	944
Tenure Ratio (%) Full-time	63%	64%	65%	66%	67%	66%	66%	65%	65%	60%
Average Faculty Salary	\$111,918	\$109,171	\$103,780	\$102,889	\$98,857	\$96,362	\$97,074	\$96,576	\$95,825	\$93,074
Total Employees ⁽²⁾										
Full-time FTE Position	5,164	5,003	4,835	4,731	4,907	5,027	4,959	4,932	4,941	4,722
Part-time FTE Position	56	43	46	53	55	57	58	67	66	78
Temporary	2,064	2,132	2,088	2,074	2,089	2,451	2,450	2,619	2,573	2,366
Research Grant	834	761	724	719	720	706	763	802	787	864
Students	6,641	6,421	6,046	5,474	4,946	6,583	6,732	6,296	6,126	6,217
Total Employees	14,759	14,360	13,739	13,051	12,717	14,824	14,962	14,716	14,493	14,247
Students per FTE										
Faculty	18.19	17.53	17.22	17.46	17.55	17.42	17.30	16.94	15.89	16.85
Full-time Employees	7.09	6.93	6.92	6.99	6.81	6.62	6.58	6.57	6.43	6.67

Notes:

(1) USC Columbia Faculty Data and System Faculty Data compiled annually by the Office of Institutional Research, Assessment and Analytics in October of each year.

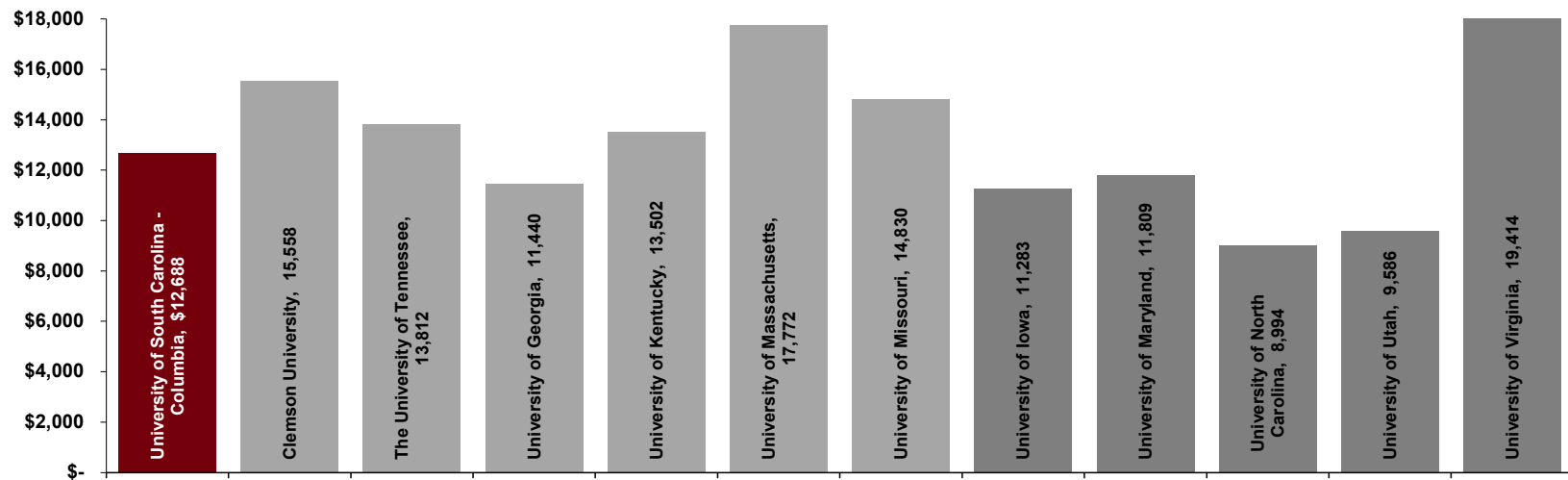
(2) Total USC Columbia Employees and Total System Employees compiled annually by Human Resources in October of each year.

(3) Average Faculty Salary is based on Full-Time, Non-Medical School Instructional Faculty

UNIVERSITY OF SOUTH CAROLINA
Undergraduate Required Tuition and Fees - Resident
Comparison to Peer and Peer-Aspirant Institutions

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Undergraduate Resident										
University of South Carolina - Columbia	\$ 12,688	\$ 12,688	\$ 12,688	\$ 12,688	\$ 12,688	\$ 12,688	\$ 12,616	\$ 12,262	\$ 11,854	\$ 11,482
Peer Institutions										
Clemson University	15,558	15,558	15,558	15,558	15,558	15,558	14,970	14,712	14,318	13,882
The University of Tennessee	13,812	13,484	13,244	13,244	13,264	13,264	13,006	12,970	12,724	12,186
University of Georgia	11,440	11,180	12,080	12,080	12,080	12,080	11,830	11,818	11,634	11,622
University of Kentucky	13,502	13,212	12,859	12,610	12,484	12,360	12,245	11,942	11,484	10,936
University of Massachusetts	17,772	17,357	16,952	16,439	16,439	16,389	15,887	15,411	14,971	14,171
University of Missouri	14,830	14,122	11,603	11,475	10,723	10,477	9,972	11,008	10,716	10,586
Peer-Aspirant Institutions										
University of Iowa	11,283	10,964	10,353	9,942	9,606	9,606	9,267	8,965	8,575	8,104
University of Maryland	11,809	11,505	11,233	10,955	10,779	10,779	10,595	10,399	10,181	9,996
University of North Carolina	8,994	8,751	8,751	8,790	8,790	8,750	8,987	8,989	8,834	8,591
University of Utah	9,586	9,400	9,002	8,893	8,615	8,615	9,222	8,884	8,518	8,197
University of Virginia	19,414	18,808	18,228	17,410	17,296	17,266	16,734	16,068	15,714	14,476

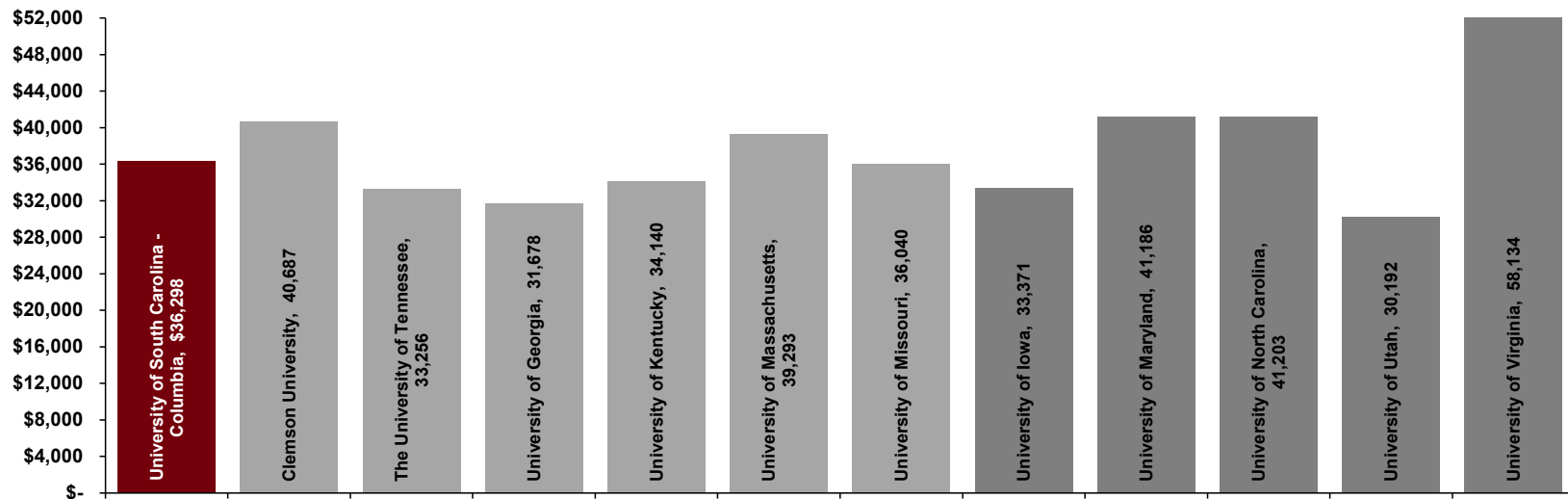
Undergraduate Tuition and Fees - Resident



UNIVERSITY OF SOUTH CAROLINA
Undergraduate Required Tuition and Fees - Nonresident
Comparison to Peer and Peer-Aspirant Institutions

For the Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Undergraduate Nonresident										
University of South Carolina - Columbia	\$ 36,298	\$ 34,934	\$ 33,928	\$ 33,928	\$ 33,928	\$ 33,928	\$ 33,298	\$ 32,362	\$ 31,282	\$ 30,298
Peer Institutions										
Clemson University	40,687	39,502	39,502	39,502	38,550	38,550	36,724	35,654	32,800	32,800
The University of Tennessee	33,256	31,974	31,664	31,664	31,684	31,684	31,426	31,390	31,144	30,636
University of Georgia	31,678	30,220	31,120	31,120	31,120	31,120	30,404	30,392	29,844	29,832
University of Kentucky	34,140	33,406	32,276	31,608	31,294	30,680	29,099	28,046	26,334	24,268
University of Massachusetts	39,293	39,293	38,171	36,964	36,427	35,710	34,570	33,477	32,204	30,504
University of Missouri	36,040	34,322	31,940	31,734	29,005	28,348	27,042	26,596	25,998	25,198
Peer-Aspirant Institutions										
University of Iowa	33,371	32,927	32,316	31,905	31,569	31,569	31,233	30,609	28,813	27,890
University of Maryland	41,186	40,306	39,469	38,638	36,891	36,891	35,216	33,606	32,045	31,144
University of North Carolina	41,203	39,092	37,312	36,653	36,653	35,929	35,170	34,588	33,916	33,673
University of Utah	30,192	31,104	30,488	28,345	27,220	27,220	29,215	28,127	27,039	26,022
University of Virginia	58,134	56,420	54,380	51,940	51,826	50,184	48,458	46,546	45,058	43,772

Undergraduate Tuition and Fees - Nonresident



UNIVERSITY OF SOUTH CAROLINA
State of South Carolina Demographic Statistics
 Last Ten Calendar Years

Year	Personal Income (In thousands) (a)	Population at at July 1 (a)	Per Capita Income (a)	Average Annual Unemployment Rate (b)
2024	\$ 328,701,700	5,478,831	\$ 59,995	4.1%
2023	301,581,100	5,373,555	56,123	3.0%
2022	281,668,100	5,282,634	53,320	3.2%
2021	270,299,200	5,190,705	52,074	4.0%
2020	247,868,500	5,218,040	47,502	6.2%
2019	233,308,300	5,148,714	45,314	2.8%
2018	217,275,600	5,084,127	42,736	3.4%
2017	203,088,000	5,024,369	40,421	4.3%
2016	198,762,651	4,987,575	39,852	4.8%
2015	187,532,342	4,896,143	38,302	6.0%

(a) Source: U.S. Department of Commerce, Bureau of Economic Analysis
 (b) Source: U.S. Department of Labor, Bureau of Labor Statistics

UNIVERSITY OF SOUTH CAROLINA
State of South Carolina Ten Largest Employers
Latest Completed Calendar Year and Nine Years Prior
Listed Alphabetically

2024	2015
BMW Manufacturing Corp.	Bi-Lo, LLC
Food Lion LLC	Blue Cross Blue Shield of South Carolina
Medical University of South Carolina	Greenville Hospital System
Michelin North America, Inc.	Michelin North America, Inc.
PRISMA Health Upstate	Palmetto Health Alliance, Inc.
Publix Super Markets, Inc.	School District of Greenville County
School District of Greenville County	U.S. Department of Defense
Spartanburg Regional Medical Center	U.S. Postal Service
U.S. Department of Defense	University of South Carolina
Wal-Mart Associates, Inc.	Wal-Mart Associates, Inc.

This Annual Comprehensive Report is also available on the University of South Carolina's Financial Reporting website located at: https://sc.edu/about/offices_and_divisions/controller/financial_reporting/financial_statements/index.php



The University of South Carolina, founded in 1801, serves the state from its flagship Columbia campus, three senior campuses, and four regional campuses. The University is committed to serving the citizens of South Carolina through its academic excellence and outreach. It has forged a variety of cooperative relationships with other academic institutions and health systems throughout the state, and a number of international connections for academic exchange and collaborative research.

The University of South Carolina does not discriminate in educational or employment opportunities or decisions for qualified persons on the basis of race, color, religion, sex, national origin, age, disability, genetics, sexual orientation or veteran status.