



Williamsburg Technical College
Report On Basic Financial Statements And
Additional Information
Year Ended June 30, 2024

WILLIAMSBURG TECHNICAL COLLEGE
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024

Area Commission	1
Independent Auditor's Report	2
Management's Discussion and Analysis	5
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	13
Statement of Revenues, Expenses and Changes in Net Position	14
Statement of Cash Flows	15
Statement of Financial Position – Discretely Presented Component Unit	16
Statement of Activities – Discretely Presented Component Unit	17
Notes to Financial Statements	18
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of the College's Proportionate Share of the South Carolina Retirement System (SCRS) and Police Officer's Retirement System (PORS) Net Pension Liabilities	45
Schedule of College Contributions - South Carolina Retirement System (SCRS) and Police Officer's Retirement System (PORS)	46
Schedule of the College's Proportionate Share of the Net OPEB Liability	47
Schedule of College Contributions	48
Independent Auditor's Report on Compliance for the State Lottery Tuition Assistance Program and Report on Internal Control over Compliance	49
Schedule of State Lottery Tuition Assistance Program Findings and Questioned Costs	52

WILLIAMSBURG TECHNICAL COLLEGE
AREA COMMISSION
June 30, 2024

Name	County of Residence	Office Held	Term Expires
Gardner, Johnny M. Kingstree, SC	Williamsburg	Chairman	7/1/15
Poston, Henry M. Kingstree, SC	Williamsburg	Vice Chairman	7/1/15
Green, S. Christine Lane, SC	Williamsburg	Secretary- Treasurer	7/1/12
Braxton, Stephen C. Hemingway, SC	Williamsburg	Member	7/1/14
Stuckey, James S. Stuckey, SC	Williamsburg	Member	7/1/14
Williams, Gertrude P. Greeleyville, SC	Williamsburg	Member	7/1/15
Cooper Jr., Harmon Hemingway, SC	Williamsburg	Member	7/1/15
Howell III, Sidney L. Hemingway, SC	Williamsburg	Member	7/1/15

There are three (3) vacancy on the commission.

All members are appointed for three years and until their successors are appointed and qualify.

INDEPENDENT AUDITOR'S REPORT

To the President and Members of the Area Commission
of Williamsburg Technical College
Kingstree, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of **Williamsburg Technical College** (the "College"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 12), the Schedule of the College's Proportionate Share of the Net Pension Liability – South Carolina Retirement System and Police Officer's Retirement System (page 45), the Schedule of College Contributions – South Carolina Retirement System and Police Officer's Retirement System (page 46), the Schedule of the College's Proportionate Share of the Net OPEB Liability (page 47), and the Schedule of College OPEB Contributions (page 48) be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information is comprised of the "area commission" as listed in the table of contents, but does not include the basic financial statements and our auditor's 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 19, 2024, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
September 19, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of Williamsburg Technical College offer users and other readers of the College's financial statements this narrative overview and analysis of its financial activities for the fiscal years ended June 30, 2024 and June 30, 2023. This discussion and analysis should be read in conjunction with the consolidated financial statements and the footnotes thereto, which follow this section.

The financial statement presentation format provides a comprehensive, entity-wide perspective of the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position, and cash flows. The financial statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The Statement of Net Position combines and consolidates current financial resources (short-term spendable resources) with capital assets and discloses any debt obligations.

The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of College activities which are supported substantially by property taxes, state allocation, state and federal grants and contracts, student tuition and fees and auxiliary enterprise revenues. This approach is intended to summarize and simplify an analysis of costs for various College services to students and the public.

Financial Highlights

- The liabilities and deferred inflow of resources exceeded the assets and deferred outflows of resources for Williamsburg Technical College at June 30, 2024, by 565,881. The unrestricted net position is a deficit of (\$750,309) as a result of the net pension liability of \$7,534,727 and other post-employment benefits (OPEB) liability of \$4,995,449 and related deferred inflows and outflows. The amount available to meet the College's ongoing obligations, excluding the net pension and OPEB liabilities, deferred inflows, and deferred outflows is \$11.7 million.
- The College implemented GASB 96, this has affected the recorded debt for the college of \$276,893 during the current fiscal year. The College received and spent capital funding in the amount of \$40,819 from State, federal and donated sources that provided the resources for its ongoing efforts to improve and update equipment and buildings.
- The College experienced an operating loss of (\$6,239,293) as reported in the Statement of Revenues, Expenses, and Changes in Net Position. However, the operating loss was partially offset by State appropriations, which are the College's largest unrestricted revenue source, of \$3,449,760 local appropriations of \$1,102,509 and Federal Grants of \$1,615,899 Capital appropriations and grants of \$40,819 covered the remaining loss.

Overview of the Financial Statements

The College is engaged only in Business-Type Activities (BTA) that are financed in part by fees charged to students for educational services. Accordingly, its activities are reported using the three financial statements required for proprietary funds: Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows.

The Statement of Net Position presents the financial position of the College at the end of the fiscal year and requires classification of assets and liabilities into current and noncurrent categories. The difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources is reflected in the Net Position section, which displays net position in three broad categories: invested in capital assets (net of related debt), restricted, and unrestricted. Net position is one indicator of the current financial condition of the College, while the change in net position is an indicator that the overall financial condition has improved or worsened during the year.

The Statement of Revenues, Expenses, and Changes in Net position replace the fund perspective with the entity-wide perspective. Revenues and expenses are categorized by operating and non-operating, and expenses are reported by natural classification.

The Statement of Cash Flows will aid readers in identifying the sources and uses of cash by the major categories of operating, capital and related financing, noncapital financing, and investing activities. This statement also emphasizes the College's dependence on state and county appropriations by separating them from operating cash flows.

STATEMENT OF NET POSITION

The Statement of Net Position presents the financial position of the College at the end of the fiscal year and classifies assets and liabilities into current and non-current categories. The Statement of Net Position is a "point in time" financial statement, which presents to the reader a snapshot of the end of the year financial data. Assets are property owned by the college. Liabilities are what the College owes to others. Current assets are generally expected to be converted into cash, sold or consumed within a year. Current liabilities are obligations that are due to be paid within the year. Noncurrent assets and liabilities are those that are longer term in nature.

Net position represents the difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Net financial position is displayed in three broad categories: net investment in capital assets, restricted and unrestricted. Net position is one indicator of the current financial condition of the College, while the change in net position is an indicator that the overall financial condition has improved or deteriorated during the year.

GASB Statements

Beginning in fiscal year ended June 30, 2015, as a result of the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension*

Transition for Contributions Made Subsequent to the Measurement Date, the College is required to recognize a portion of the unfunded net pension liability of the cost sharing plan. Beginning in fiscal year ended June 30, 2018, as a result of the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the College is required to recognize a portion of the unfunded other post-employment benefits (OPEB) of the state cost sharing plan. Recognition of these liabilities has a material impact on the College's overall net position. *The resulting decrease in the College's net position is not indicative of a deterioration of the financial condition of the college.*

Financial Analysis of the College as a Whole

This schedule is a condensed version of the College's assets, liabilities and Net Position and is prepared from the Statement of Net Position.

Condensed Summary of Net Position (thousands of dollars)

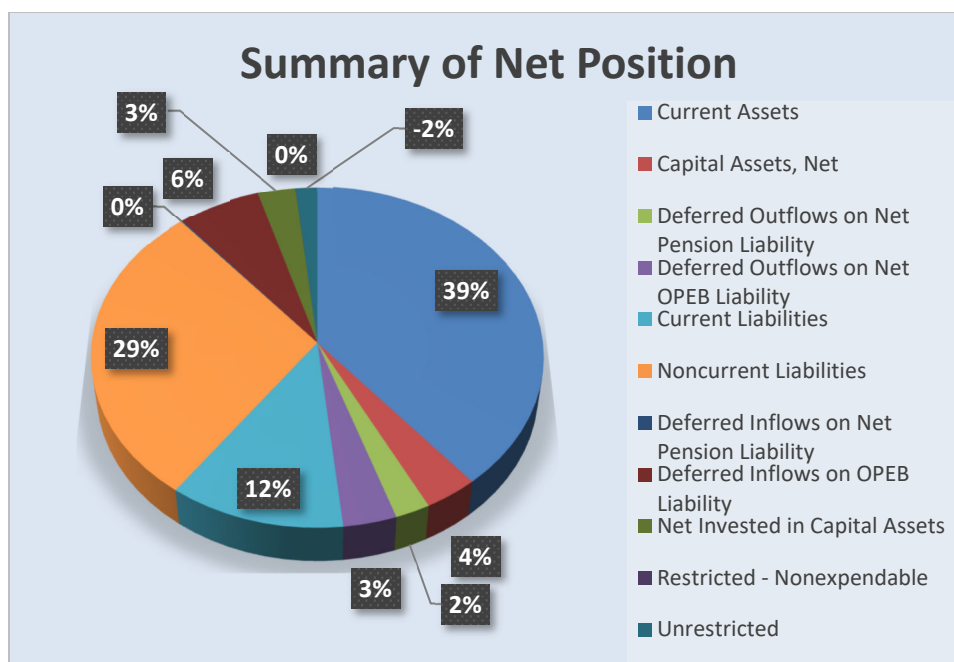
	2024	2023	Increase/ (Decrease)	Percent Change
Assets and Deferred Outflows of Resources				
Current Assets	\$ 17,378	\$ 15,928	\$ 1,450	9.10%
Capital Assets, Net	1,585	1,934	(349)	-18.05%
Total Assets	18,963	17,862	1,101	6.16%
Deferred Outflows on Net Pension Liability	1,034	1,025	9	0.88%
Deferred Outflows on Net OPEB Liability	1,583	1,935	(352)	-18.19%
Total Deferred Outflows	2,617	2,960	(343)	-11.59%
Total Assets and Deferred Outflows of Resources	21,580	20,822	1,110	5.33%
Liabilities and Deferred Inflows of Resources				
Current Liabilities	5,191	4,132	1,059	25.63%
Noncurrent Liabilities	12,911	13,807	(896)	-6.49%
Total Liabilities	18,102	17,939	163	0.91%
Deferred Inflows on Net Pension Liability	51	127	(76)	-59.84%
Deferred Inflows on OPEB Liability	2,861	2,515	346	13.76%
Total Deferred Inflows	2,912	2,642	270	10.22%
Total Liabilities and Deferred Inflows of Resources	21,014	20,581	87	0.42%
Net Position				
Net Invested in Capital Assets	1,308	1,440	(132)	-9.17%
Restricted - Nonexpendable	8	7	1	14.29%
Unrestricted	(750)	(1,206)	456	37.81%
Total Net Position	\$ 566	\$ 241	\$ 325	-134.85%

The unrestricted net position was a deficit of (750,309) at June 30, 2024. This is a result of the implementation of GASB Nos. 68 and 71 in the prior fiscal years, and GASB No. 75 in the 2022 fiscal year, which resulted in a (\$12.5) million negative impact on the unrestricted net position as of June 30, 2024 to record a net pension and OPEB obligation and related deferred inflows and outflows. The net pension and OPEB obligation will be paid by future contribution rates which are expected to be funded by future state and tuition revenues and not funded by current unrestricted

net position. If the negative impact of recognizing the net pension and OPEB obligation were to be removed from unrestricted net position at June 30, 2024 would be 12.5 million and, the College would show a positive total net position of \$ 11.7 million.

The College's investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding reflects approximately twenty-one percent of its total Net Position adjusted for pension and OPEB. The College uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending.

Unrestricted Net Position adjusted for pension and OPEB of \$11.7 million about eighty percent may be used to meet the College's ongoing unrestricted obligations. Pictorial presentations of Unrestricted Net Position of the College's financial condition on June 30, 2024 appear in the charts and graphs that follow.



Cash increased by \$1,568,094 during the fiscal year. The increase was due to increase state scholarships, investment activities and additional grant funding for capital. A summary schedule of the increase in cash flows for the fiscal years ended June 30, 2024 and 2023 is as follows:

Condensed Summary of Cash Flows (thousands of dollars)

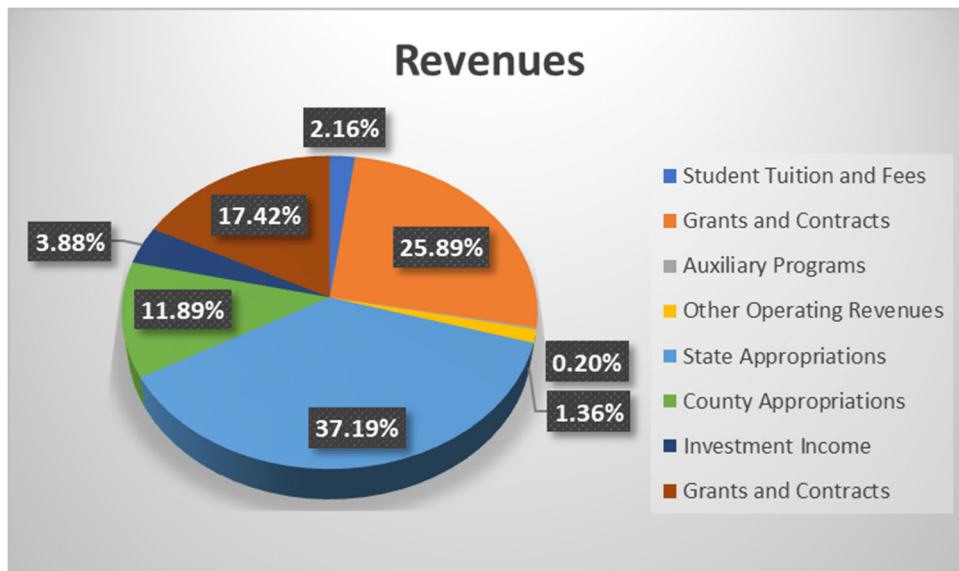
	2024	2023	Increase/ (Decrease)	Percent Change
Cash Provided (Used) by:				
Operating Activities	\$ (4,791)	\$ (5,209)	\$ 418	8.02%
Non-Capital Financing Activities	6,176	7,534	(1,358)	-18.02%
Capital and Related Financing Activities	(176)	83	(259)	-312.05%
Investing Activities	359	195	164	84.10%
Net Increase (Decrease) in Cash	<u>\$ 1,568</u>	<u>\$ 2,603</u>	<u>\$ (1,035)</u>	-39.76%

This schedule is a summary of the College's operating results for the fiscal year.

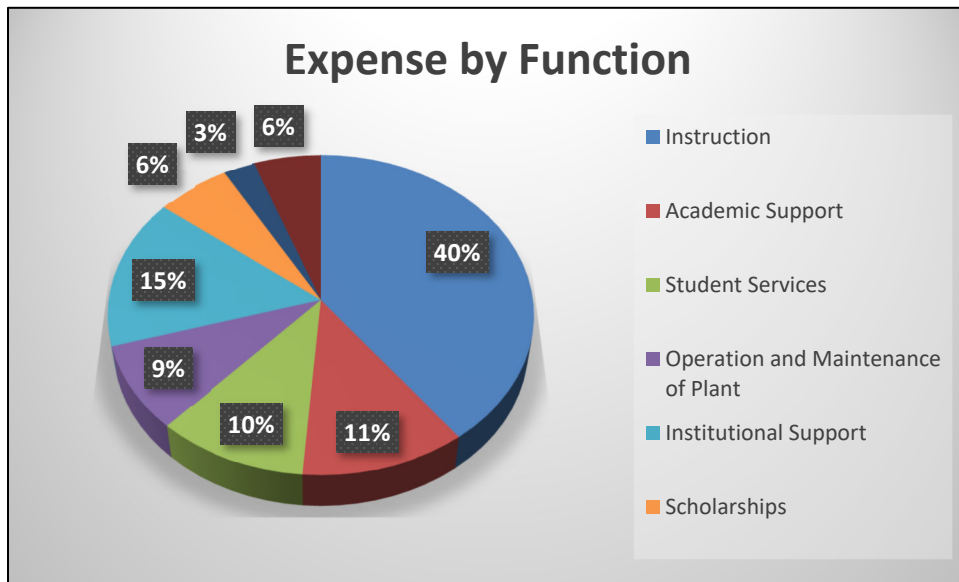
Condensed Summary of Revenues, Expenses and Changes in Net Position (thousands of dollars)

	2024	2023	Increase/ (Decrease)	Percent Change
Revenues:				
Student Tuition and Fees	\$ 200	\$ 340	\$ (140)	-41.18%
Grants and Contracts	2,402	2,364	38	1.61%
Auxiliary Programs	19	119	(100)	-84.03%
Other Operating Revenues	126	47	79	168.09%
Total Operating Revenues	<u>2,747</u>	<u>2,870</u>	<u>(123)</u>	-4.29%
State Appropriations	3,450	2,975	475	15.97%
County Appropriations	1,103	1,235	(132)	-10.69%
Investment Income	360	195	165	84.62%
Grants and Contracts	1,616	2,926	(1,310)	-44.77%
Total Non-Operating Revenues	<u>6,529</u>	<u>7,331</u>	<u>(802)</u>	-10.94%
Total Revenues	<u>9,276</u>	<u>10,201</u>	<u>(925)</u>	-9.07%
Expenses				
Salaries	4,068	3,991	77	1.93%
Benefits	1,739	1,809	(70)	-3.87%
Scholarships	554	904	(350)	-38.72%
Utilities	126	120	6	5.00%
Supplies and other services	1,998	2,328	(330)	-14.18%
Depreciation and Amortization	502	529	(27)	-5.10%
Total Operating Expenses	<u>8,987</u>	<u>9,681</u>	<u>(694)</u>	-7.17%
Nonoperating Expenses	<u>5</u>	<u>-</u>	<u>5</u>	0.00%
Total Expenses	<u>8,992</u>	<u>9,681</u>	<u>(689)</u>	
Gain Before Capital Contributions	<u>284</u>	<u>520</u>	<u>(236)</u>	-45.38%
Capital Contributions, Other Revenue and Expenses				
State Capital Appropriations	41	111	(70)	-63.06%
Total Capital Contributions	<u>41</u>	<u>111</u>	<u>(70)</u>	-63.06%
Gain in Net Position	<u>325</u>	<u>631</u>	<u>(306)</u>	-48.49%
Net Position, Beginning of year	<u>241</u>	<u>(390)</u>	<u>631</u>	161.79%
Net Position, End of year	<u>\$ 566</u>	<u>\$ 241</u>	<u>\$ 325</u>	-134.85%

A large portion of the revenue included in the Grants and Contracts category represents student financial assistance, which is used to pay tuition and fees for students to attend the College. An approximation of tuition and fees paid from this source of funds has been recognized as a reduction of tuition and fees in the form of scholarship allowances, in order to eliminate duplication of revenues.



In excess of \$5.8 million of the College's operating expenses occurred in the salary and benefits classification. Supplies and Other Services is the second largest classification of expenses and include expenses not otherwise classified. Of the total operational expenses approximately, 62 percent are identified as instructional, academic support, and student services support, and 6 percent for Scholarships. Note 13 in the accompanying notes to the financial statements identify operating expenses by functional classification.



Capital Asset and Debt Administration

The college has completed a capital needs assessment and is preparing a comprehensive plan to address the plant needs. Currently the college has no capital debt. The College has recorded compensated absences payable in the amount of \$349,570 for obligations to employees of which \$13,951 is considered a current liability. The college has recorded the required pension non-current liability of \$7,534,727 and the OPEB liability of \$4,995,449. There is no current portion, because the benefits obligations payable over the next 12 months do *not exceed the plan assets*. The long-term liabilities details are located in Note 1.

The change in capital assets during the fiscal year is as follows:

Beginning Capital Assets, Net of Accumulated Depreciation	\$1,934,100
Assets Purchased During the Year (net)	153,732
Depreciation Expense Recorded During the Current Year(net)	(502,420)
Ending Capital Assets Net of Accumulated Depreciation	\$1,585,412

Economic Factors

The economic factors created by the pandemic makes it difficult to rely on past indicators for future trends. However, based on current BEA forecast, it is predicted that the state will experience a steady level in recurring funds in the coming year. The county funding designated for WTC will likely be steady for budget year 2024-25.

WTC continues a steady enrollment in workforce students and as businesses return to training with the availability of federal funding for workforce training. The increase in skills and knowledge required even for entry level jobs in the current job market is likely to support continued positive enrollment in both curriculum and workforce training for the foreseeable future. The college maintains strong positive connections with local business and industry through advisory boards which has been a reliable prediction for training needs in the service area.

Currently, federal Pell and state LTA cover most of the students' tuition and fees. This year the College continued the three distributions of Pell to assist students with the rising cost of books and supplies for the two main semesters of the school year as well as the summer session. Pell will continue to be awarded year around for the 2024-25 year. Lottery tuition assistance (LTA) applies only after federal Pell has been exhausted and then for the balance of tuition costs up to the maximum per credit hour established by State Board for Technical and Comprehensive Education (SBTCE) and approved by Commission on Higher Education (CHE). The amount of LTA for the 2024-25 year will be \$75 per credit hour up to a maximum 15 credit hours. Currently LTA funds cannot be used for books and supplies or other costs of attendance. SC Workforce Industry Needs Scholarship (SCWINS) has been added to the list of funding for both workforce and credit classes. SCWINS pays after LTA and all other federal funding, but is the only funding for workforce training.

The College continues to partner with the local high schools to provide DEAL (Dual Enrollment for Advanced Learning) and CATE (Career and Technology Education) Programs to qualified high school students for dual enrollment credit. The first cohort of Early College began in the Spring of 2023 allowing these students to graduate with an Associate Degree as they graduate high school. With other high school students having the opportunity to graduate with up to 24 hours of college credits, the school district has encouraged and embraced the increasing of dual enrollment offerings as it provides another pathway for high school students to become college and career ready.

The college will continue the capital project in 2024-25 that will likely continue over the next 3 years and provide much needed space to expand the current Allied Health Science and Nursing Programs. These highly successful programs will continue to be in very high demand which will also result in continued positive enrollment growth.

Contact Information

Questions related to the Management Discussion and Analysis and the accompanying financial statements should be directed to Melissa A. Coker, Vice President Administration and Finance, at (843) 355-4117.

WILLIAMSBURG TECHNICAL COLLEGE
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets:

Cash and Cash Equivalents	\$ 16,601,558
Short-Term Investments	86,658
Short-Term Investments - Restricted for Endowments	7,671
Accounts Receivable, Net	558,150
Inventory	114,347
Prepaid Expenses	9,508
Total Current Assets	<u>17,377,892</u>

Non-Current Assets:

Capital Assets Not Being Depreciated/Amortized	127,190
Capital Assets, Net of Depreciation/Amortization	1,458,222
Total Non-Current Assets	<u>1,585,412</u>
Total Assets	<u>18,963,304</u>

Deferred Outflows of Resources:

Deferred Outflows on Net Pension Liability	1,034,226
Deferred Outflows on Net OPEB Liability	1,582,809
Total Deferred Outflows of Resources	<u>2,617,035</u>

Total Assets and Deferred Outflows of Resources	<u>21,580,339</u>
--	--------------------------

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Current Liabilities:

Accounts Payable	26,312
SBITA Accrued Interest Payable	5,572
SBITA Payable	232,034
Compensated Absences Payable	13,951
Unearned Revenues	4,913,136
Total Current Liabilities	<u>5,191,005</u>

Noncurrent Liabilities:

SBITA Payable	44,859
Compensated Absences Payable	335,619
Net Pension Liability	7,534,727
Net OPEB Liability	4,995,449
Total Non-Current Liabilities	<u>12,910,654</u>

Total Liabilities	<u>18,101,659</u>
--------------------------	-------------------

Deferred Inflows of Resources:

Deferred Inflows on Net Pension Liability	51,393
Deferred Inflows on Net OPEB Liability	2,861,406
Total Deferred Inflows of Resources	<u>2,912,799</u>

Total Liabilities and Deferred Inflows of Resources	<u>21,014,458</u>
--	--------------------------

NET POSITION

Net Investment in Capital Assets	1,308,519
Restricted For Nonexpendable Purposes:	
Endowment	7,671
Unrestricted (Deficit)	(750,309)
Total Net Position	<u>\$ 565,881</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

WILLIAMSBURG TECHNICAL COLLEGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

REVENUES

Operating Revenues

Student Tuition and Fees, net of scholarship allowances of \$2,624,644	\$ 199,716
Federal Grants and Contracts	969,798
State Grants and Contracts	1,409,744
Private Grants and Contracts	23,546
Auxiliary Programs, net of scholarship allowances of \$184,376	19,187
Other Operating Revenues	<u>125,643</u>
Total Operating Revenues	<u><u>2,747,634</u></u>

EXPENSES

Operating Expenses

Salaries	4,067,600
Benefits	1,739,470
Scholarships	553,856
Utilities	125,676
Supplies and other services	1,997,905
Depreciation and Amortization	<u>502,420</u>
Total Operating Expenses	<u><u>8,986,927</u></u>

Operating Loss	<u><u>(6,239,293)</u></u>
-----------------------	---------------------------

NON-OPERATING REVENUES (EXPENSES)

Federal Grants and Contracts	1,615,899
State Appropriations	3,449,760
County Appropriations	1,102,509
Investment Income	360,549
Interest on SBITAs	<u>(5,599)</u>
Net Non-Operating Revenues	<u><u>6,523,118</u></u>

Income Before Capital Contributions	283,825
--	---------

Capital Contributions

State Capital Appropriations	<u>40,819</u>
------------------------------	---------------

Change in Net Position	324,644
-------------------------------	---------

NET POSITION

Net Position, Beginning of Year	<u>241,237</u>
--	----------------

Net Position, End of Year	<u><u>\$ 565,881</u></u>
----------------------------------	--------------------------

The accompanying Notes to Financial Statements are an integral part of this statement.

**WILLIAMSBURG TECHNICAL COLLEGE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Student Tuition and Fees, net of scholarship allowances	\$ 124,612
Federal, State and Local Grants and Contracts	3,581,316
Auxiliary Programs, net of scholarship allowances	19,187
Other Receipts	125,643
Scholarships	(553,856)
Payments to Vendors	(2,217,043)
Payments to Employees (Salary and Benefits)	(5,861,271)
Net Cash Used in Operating Activities	<u>(4,781,412)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

State Appropriations	3,447,783
County Appropriations	1,112,271
Federal, State and Local Grants and Contracts	1,615,899
Net Cash Provided by Non-Capital Financing Activities	<u>6,175,953</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

State Capital Appropriations	195,455
Purchase of Capital Assets	(153,732)
Principal Paid on SBITAs	(217,460)
Interest Paid on SBITAs	(9,728)
Net Cash Used in Capital and Related Financing Activities	<u>(185,465)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on Investments	359,018
Net Cash Provided by Investing Activities	<u>359,018</u>

Net Increase in Cash	1,568,094
Cash - Beginning of year	15,033,464
Cash - End of Year	<u><u>\$ 16,601,558</u></u>

**Reconciliation of Operating Loss to Net Cash
Used in Operating Activities**

Operating Loss	\$ (6,239,293)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation and Amortization	502,420
Pension Charges	(35,696)
OPEB Charges	(73,773)
(Increase) Decrease in:	
Accounts Receivable, Net	131,211
Inventory	(23,386)
Prepaid Expenses	3,892
Increase (Decrease) in:	
Accounts Payable	(73,967)
Compensated Absences	55,267
Unearned Revenues	971,913
Total Adjustments	<u>1,457,881</u>
Net Cash Used in Operating Activities	<u><u>\$ (4,781,412)</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

WILLIAMSBURG TECHNICAL COLLEGE FOUNDATION, INC.

NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

ASSETS	
Current assets	
Cash and cash equivalents	\$ 72,794
Restricted cash and cash equivalents	153,208
Certificates of deposit	389,087
Total current assets	<u>615,089</u>
Noncurrent assets	
Land	248,400
Building - construction in progress(See note 7)	7,500,000
Construction in progress - other	404,951
Total noncurrent assets	<u>8,153,351</u>
Total assets	<u>8,768,440</u>
LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	-
Total liabilities	<u>-</u>
NET ASSETS	
Net assets without donor restrictions	103,562
Net assets with donor restrictions	8,664,878
Total net assets	<u>8,768,440</u>
Total liabilities and net assets	<u>\$ 8,768,440</u>

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

WILLIAMSBURG TECHNICAL COLLEGE FOUNDATION, INC.

NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributed nonfinancial assets	\$ -	7,748,400	\$ 7,748,400
Contributions	40,441	229,448	269,889
Interest income	-	8,449	8,449
Net assets released from restriction	24,546	(24,546)	-
Total revenues, gains, and other support	64,987	7,961,751	8,026,738
Expenses			
Program services	24,546	-	24,546
Management and general	2,421	-	2,421
Fundraising	5,569	-	5,569
Total expenses	32,536	-	32,536
Change in net assets	32,451	7,961,751	7,994,202
Net assets, beginning of year	71,111	703,127	774,238
Net assets, end of year	\$ 103,562	\$ 8,664,878	\$ 8,768,440

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity: The financial reporting entity, as defined by the Governmental Accounting Standards Board (GASB) 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. Based on these criteria, the College evaluates potential component units on an annual basis and presents component units that are deemed significant. As of June 30, 2024, the College has determined that the nature and significance of the Williamsburg Technical College Foundation, Inc.’s relationship with the College is such that exclusion from the reporting entity would render the financial statements incomplete. Accordingly, the financial statements include the accounts of Williamsburg Technical College, as the primary government, and the Williamsburg Technical College Foundation, Inc. (the “Foundation”), its discretely presented component unit. Williamsburg Technical College is reported as a non-major discretely presented component unit of the State of South Carolina and is reported in the State’s Annual Comprehensive Financial Report. However, based on the nature and significance of the Foundations’ relationship with the State, the Foundation is not a component unit of the State.

The Foundation is a legally separate, tax-exempt organization. It was chartered to receive private funds for the exclusive benefit and support of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon are restricted to solely support activities of the College. As a non-governmental not-for-profit organization, the Foundations’ reports are prepared under guidance issued by the Financial Accounting Standards Board (FASB), which differs from the reporting guidance of GASB. No modifications have been made to the Foundation’s financial statements included in the College’s statements for these differences. Copies of the separately issued financial statements for the Foundation may be obtained by sending a request to the following address: Williamsburg Technical College Foundation, Inc., 601 Martin Luther King Jr Ave, Kingstree, SC 29556.

Financial Statements: The financial statement presentation for the College meets the requirements of GASB Codification Sections 2100 - 2900, *Financial Reporting Entity*, and Co5, *Colleges and Universities*. The financial statement presentation provides a comprehensive, entity-wide perspective of the College’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position, and cash flows.

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents: The amounts shown in the financial statements as “cash and cash equivalents” represent cash on deposit in banks, cash invested in various instruments by the State Treasurer as part of the State’s Local Government Investment Pool, and cash invested in various short-term instruments. For purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments: Deposits and investments for the College are governed by the South Carolina Code of Laws, Section 11-9-660, “Investment of Funds”. *GASB Statement No. 40, Deposits and Investment Risk Disclosures – an amendment to GASB Statement No. 3*, requires disclosures related to deposit risks, such as custodial credit risk, and investment risks, such as credit risk (including custodial credit risk and concentrations of credit risks) and interest rate risk. The college accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenses and changes in net position.

Accounts Receivable: Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from the Federal government, State and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College’s grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts. Allowances for losses for student accounts receivable are established based upon actual losses experienced in prior years and evaluations of the current account portfolio.

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

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

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings and improvements and land improvements and 2 to 25 years for machinery, equipment, and vehicles.

Subscription-Based Information Technology Arrangements: The College records right-to-use subscription-based information technology arrangements (SBITA) assets and liabilities in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. 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. The SBITA assets are amortized over the subscription term. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenues and Deposits: Unearned revenues include amounts received for tuition and fees and certain auxiliary activities 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.

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 a component of long-term liabilities in the statement of net position and as a component of benefits expenses in the statement of revenues, expenses, and changes in net position. The liability for accrued compensated absences includes all accrued vacation leave, unused holiday leave, and related fringe benefits. Other compensated absences, such as sick pay, do not vest; accordingly, no liability is accrued.

Pensions: 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 South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS) and additions to/deductions from SCRS' and PORS' fiduciary net position have been determined on the accrual basis of accounting as they are reported by SCRS and PORS 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.

Postemployment Benefits Other Than Pensions (OPEB): For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and additions to/deductions from the SCRHITF's fiduciary net position have been determined on the same basis as they are reported by the SCRHITF. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

Deferred Outflows of Resources and Deferred Inflows of Resources: Deferred outflows of resources represent consumption of net position that is applicable to a future period. Deferred inflows of resources represent acquisition of net position that is applicable to a future period. Changes in net pension and net OPEB liabilities not included in expenses are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension and net OPEB liabilities are reported as deferred outflows of resources.

Net Position: The College's net position is displayed in three components: investment in capital assets, restricted (with expendable and nonexpendable components separately displayed), and unrestricted.

Net Investment in Capital Assets: This component consists of the College's capital assets, net of accumulated depreciation, and reduced by 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. Deferred outflows of resources and deferred inflows of resources, if any, attributable to the acquisition, construction, or improvement of those assets or related debt are also included.

Restricted: This component consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position: (Continued)

Restricted - nonexpendable: The nonexpendable restricted component 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.

Unrestricted: The unrestricted component is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. This includes resources derived from student tuition and fees, appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose. The resources also include auxiliary enterprises which are substantially self-supporting activities that provide services for students, faculty and staff.

The College's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Non-Exchange Transactions: Non-exchange transactions involving financial or capital resources are transactions in which the College either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange. The types of non-exchange transactions the College engages in include "Voluntary non-exchange transactions" (certain grants and donations), and "Imposed non-exchange revenue" (fines and penalties), and "Government-mandated non-exchange transactions."

Voluntary non-exchange transactions usually involve eligibility requirements that must be met before transactions are recognized. The eligibility requirements can include one or more of the following:

- a. The recipient has the characteristics specified by the provider.
- b. Time requirements specified by the provider have been met.
- c. The provider offers resources on a reimbursement basis and allowable costs have been incurred under the applicable program.
- d. The provider's offer of resources is contingent upon a specified action of the recipient and that action occurred.

Assets from imposed non-exchange revenues are recognized when an enforceable legal claim to the assets arise or when the resources are received.

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

Operating revenues: Operating revenues generally result from exchange transactions to provide goods or services related to the College's principal ongoing operations. These revenues include (1) student tuition and fees received in exchange for providing educational services, and other related services to students; (2) receipts for scholarships where the provider has identified the student recipients; (3) fees received from organizations and individuals in exchange for miscellaneous goods and services provided by the College; and (4) grants and contracts that are essentially the same as contracts for services that finance programs the College would not otherwise undertake.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification of Revenues: (Continued)

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions. These revenues include gifts and contributions, appropriations, investment income, and any 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 are reported net of scholarship discounts and allowances in the statement of revenues, expenses and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain grants, such as Pell and other Federal, state or nongovernmental programs are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Classification of Expenses: The College has classified its expenses as either operating or non-operating expenses according to the following criteria:

Operating expenses: Operating expenses generally result from the purchasing of goods or services related to the College's principal ongoing operations. These expenses include (1) salaries and benefits paid to employees for providing educational services and other related services to students; (2) utilities to maintain the educational buildings; (3) supplies and services for goods and services provided to the College; (4) scholarship expenses for student financial assistance; and (5) depreciation and amortization expense for capital items.

Non-operating expenses: Non-operating expenses include activities that have the characteristics of non-exchange transactions. These expenses include interest expense and capital items purchased.

Auxiliary Enterprises and Internal Service Activities: Auxiliary enterprise revenues primarily represent revenues generated by bookstores and vending.

Income Taxes: The College is a political subdivision of the State of South Carolina 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 College may be subject to taxation as unrelated business income.

Restricted Cash and Investments: The College has funds which were donated by private citizens as a non-expendable endowment to the College.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Allowances for losses for student accounts receivable are established and based upon actual losses experienced in prior years and evaluations of the current account.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 2 – CASH, DEPOSITS, AND INVESTMENTS

The following schedule reconciles cash and investments as reported on the Statement of Net Position to footnote disclosure provided for deposits and investments.

Statement of Net Position:

Cash and Cash Equivalents	\$16,601,558
Short-Term Investments	86,658
Short-Term Investments (Restricted)	<u>7,671</u>
Total Cash and Investments on Statement of Net Position	<u>\$16,695,887</u>

Disclosure, Deposits and Investments:

Carrying Value of Deposits:	
Held by Financial Institutions	\$11,152,469
Held by State Treasurer	<u>5,543,418</u>
Total	<u>\$16,695,887</u>

DEPOSITS

Deposits Held by State Treasurer

South Carolina State statutes authorize the College to invest in the South Carolina Local Government Investment Pool (SCLGIP) managed by the State Treasurer. The SCLGIP is an investment trust fund, created by Section 6-6-10 of the South Carolina Code of Laws, in which public monies under the custody of any political subdivision in excess of current needs may be deposited. The SCLGIP is permitted to purchase obligations of the United States, its agencies and instrumentalities, and any corporation within the United States if such obligations bear any of the three highest ratings of at least two nationally recognized rating services. The SCLGIP is not registered with the SEC. It is similar to a money market fund in that it is offered at a stable price and is guided by risk control principles such as significant overnight Repurchase Agreements for liquidity; attention to credit quality, portfolio diversification and maintenance of a short average maturity of fixed and floating rate investments.

Funds may be deposited at any time and may be withdrawn upon 24 hours' notice. Participant shares in the pool are dollar denominated; therefore, the number of shares sold and redeemed is equal to the dollars withdrawn. Monthly investment income is distributed to participants in the form of additional units in the pool and is calculated on the accrual basis of accounting, including accrued interest and amortization of premium or discount. Unrealized gains and losses on investments are not distributed to participants until realized. The SCLGIP does not carry any legally binding guarantees to protect participants against potential loss of investment value.

Information pertaining to the reported amounts, fair values, and credit risk of the SCLGIP's investments is disclosed in its complete financial statements, which may be obtained at: <http://osa.sc.gov>.

Other Deposits

State law requires that a bank or savings and loan association receiving State funds must secure the deposits by deposit insurance, surety bonds, collateral securities, or letters of credit to protect the State against any loss.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that a government will not be able to recover deposits if the depository financial institution fails or to recover the value of collateral securities that are in the possession of an outside party if the counterparty to the deposit transaction fails. The College's policy requires all banks that receive deposits of the College to secure the deposits with collateral securities to protect the College against any loss.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 2 – CASH, DEPOSITS, AND INVESTMENTS (CONTINUED)

Custodial Credit Risk: (Continued)

Bank balances on deposit for the College at June 30, 2024, were \$11,718,557. Of these, \$10,874,228 were exposed to custodial credit risk as uninsured but were collateralized with securities held by the pledging institutions in the College's name. The carrying value of these deposits was \$11,152,469. All certificates of deposit, regardless of maturity are reported as deposits for custodial credit risk categorization.

Foreign Currency Risk

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

INVESTMENTS

The College is authorized, by the South Carolina Code of Laws, Section 11-9-660, to invest in obligations of the United States and its agencies, obligations of the State of South Carolina and its political subdivisions, collateralized or federally insured certificates of deposit, and collateralized repurchase agreements. Temporary cash investments of the College are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near maturity that they present insignificant risks of changes in value because of changes in interest rates.

Restricted investments include \$7,671 held for endowment.

The College's investments and maturities at June 30, 2024, that are not with the State Treasurer's Office are presented below.

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>				
	<u>Fair Value Amount</u>	<u>Less Than 1</u>	<u>1 – 5</u>	<u>6 – 10</u>	<u>More Than 10</u>
Certificate of Deposit	\$94,329	\$94,329	\$ –	\$ –	\$ –

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the College will not be able to recover the investments value or collateral securities that are in the possession of the outside party. The College does not have an investment policy regarding credit risk. The College does not currently have investments that are exposed to credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College does not have an investment policy regarding credit risk. The College does not currently have investments that are exposed to credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The College places no limits on the amount the College may invest in any one issuer. Currently the College has no investments which are exposed to concentration of credit risk.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 2 – CASH, DEPOSITS, AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. It occurs because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities. The College does not have an investment policy regarding interest rate risk.

The College has no formal policy regarding interest rate risk, but manages it by limiting investments to short-term certificates of deposit.

Foreign Currency Risk

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

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2024, including applicable allowances, are summarized as follows:

Student Accounts	\$ 188,626
Federal Grants and Contracts	133,376
State Grants and Contracts	347,183
County Appropriations	13,798
State Appropriations	1,977
Interest	<u>1,186</u>
Gross Receivables	686,146
Less: Allowance for Doubtful Accounts - Students	<u>(127,996)</u>
Receivables, Net	<u>\$686,146</u>

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 4 – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2024 was as follows:

	Balance 7/1/2023	Increases	Decreases	Balance 6/30/2024
Capital Assets not being Depreciated/Amortized:				
Land	\$ 127,190	\$ -	\$ -	\$ 127,190
Other Capital Assets:				
Depreciable Land Improvements	351,679	-	-	351,679
Buildings and Improvements	3,872,167	-	-	3,872,167
Machinery, Equipment, and Other	2,678,003	148,232	-	2,826,235
Vehicles	119,042	5,500	-	124,542
Intangibles - SBITA	745,323	-	-	745,323
Intangibles - Other	308,720	-	-	308,720
Total Other Capital Assets at Historical Cost	8,074,934	153,732	-	8,228,666
Less Accumulated Depreciation/Amortization for:				
Depreciable Land Improvements	(200,724)	(35,168)	-	(235,892)
Buildings and Improvements	(3,163,698)	(37,941)	-	(3,201,639)
Machinery, Equipment, and Other	(2,258,947)	(195,225)	-	(2,454,172)
Vehicles	(105,687)	(3,838)	-	(109,525)
Intangibles - SBITA	(230,248)	(230,248)	-	(460,496)
Intangibles - Other	(308,720)	-	-	(308,720)
Total Accumulated Depreciation/Amortization	(6,268,024)	(502,420)	-	(6,770,444)
Other Capital Assets, Net	1,806,910	(348,688)	-	1,458,222
Capital Assets, Net	\$ 1,934,100	\$ (348,688)	\$ -	\$ 1,585,412

NOTE 5 – PENSION PLANS

Description of Entity: The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the retirement systems and benefit programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Plan Descriptions:

- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.
- The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to newly hired state, public higher education institution and public school district employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.
- The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

In addition to the plans described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

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

- SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- State ORP - As an alternative to membership in SCRS, newly hired state, public school and higher education employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012 have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Membership: (Continued)

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

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

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

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

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

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

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

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year if necessary, in order to improve the funding of the plans. The statute 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.

Required employee contribution rates¹ are as follows:

	<u>Fiscal Year 2024¹</u>	<u>Fiscal Year 2023¹</u>
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
 State ORP		
Employee	9.00%	9.00%
 PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Contributions: (Continued)

Required employer contribution rates¹ are as follows:

	<u>Fiscal Year 2024¹</u>	<u>Fiscal Year 2023¹</u>
SCRS		
Employer Class Two	18.41%	17.41%
Employer Class Three	18.41%	17.41%
Employer Incidental Death Benefit	0.15%	0.15%
State ORP		
Employer Contribution ²	18.41%	17.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	20.84%	19.84%
Employer Class Three	20.84%	19.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

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

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

Contributions to SCRS and PORS from the College were \$697,423 and \$18,108, respectively, for the year ended June 30, 2024. In addition, State appropriations paid directly to SCRS and PORS as nonemployer entity contributions for the College were \$29,235 and \$53, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the College reported \$ 7,410,724 and \$ 124,003 for its proportionate shares of the net pension liabilities of SCRS and PORS, respectively. The net pension liabilities were measured as of June 30, 2023, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation performed as of July 1, 2022 rolled forward to the plans' fiscal year end, June 30, 2023, using generally accepted actuarial principles. The College's proportion of each net pension liability was based on the College's share of the total employer and nonemployer contributions to the pension plan relative to the employer and nonemployer contributions for all participating entities. At June 30, 2023, the College's SCRS proportion was 0.030651 percent, which was an increase of 0.000251% percent from its proportion measured as of June 30, 2022. The College's PORS proportion of the net pension liability at June 30, 2023 was 0.004074 percent, which was an increase of 0.000228 percent from its proportion measured as of June 30, 2022. For the year ended June 30, 2024, the College recognized pension expenses of \$685,181 for SCRS and \$23,942 for PORS.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The collective net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB 67 less that System's fiduciary net position. Collective NPL totals, as of June 30, 2023, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 58,464,402,454	\$34,286,961,942	\$ 24,177,440,512	58.6%
PORS	\$ 9,450,021,576	\$ 6,405,925,370	\$ 3,044,096,206	67.8%

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

At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

South Carolina Retirement System (SCRS)

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	# \$128,663	\$20,551
Changes of Assumptions	113,543	–
Net Difference Between Projected and Actual Investment Earnings	–	10,143
Changes in Proportionate Share and Difference between College Contributions and Proportionate Share of Total Plan Employer Contributions	56,741	16,475
College Contributions Subsequent to the Measurement Date	697,423	–
Total	\$754,164	\$47,169

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Police Officers Retirement System (PORS)

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	##\$ 5,836	\$1,529
Changes of Assumptions	2,699	–
Net Difference Between Projected and Actual Investment Earnings	–	212
Changes in Proportionate Share and Difference between College Contributions and Proportionate Share of Total Plan Employer Contributions	11,213	2,483
College Contributions Subsequent to the Measurement Date	18,108	–
Total	\$29,321	\$4,224

The \$697,423 for SCR and \$18,108 for PORS reported as deferred outflows of resources related to pensions resulting from the College's contributions subsequent to the measurement date will be recognized as reductions of the net pension liability in the year ended June 30, 2025.

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:

<u>Year Ended June 30,</u>	<u>SCRS</u>	<u>PORS</u>	<u>Totals</u>
2025	\$ 143,765	\$ 6,782	\$ 150,547
2026	(116,129)	1,516	(114,613)
2027	228,488	7,355	235,843
2028	(4,346)	(129)	(4,475)
Net Balance of Deferred Outflows / (Inflows) of Resources	\$ 224,142	\$ 15,524	\$ 231,368

Actuarial Assumptions and Methods: Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

The June 30, 2023, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by the consulting actuary, Gabriel Roeder Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2022. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2023, using generally accepted actuarial principles. There was no legislation enacted during the 2023 legislative session that had a material change in the benefit provisions for any of the systems.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Actuarial Assumptions and Methods: (Continued)

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2023.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7%	7%
Projected salary increases	3.0% to 11% (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 mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Assumptions used in the determination of the June 30, 2023, 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%

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 rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Long-Term Expected Rate of Return: (Continued)

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2023 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 following table. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the total pension liability 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%	6.62%	3.04%
Bonds	26.0%	0.31%	0.08%
Private Equity¹	9.0%	10.91%	0.98%
Private Debt¹	7.0%	6.16%	0.43%
Real Assets	12.0%		
Real Estate ¹	9.0%	6.41%	0.58%
Infrastructure ¹	3.0%	6.62%	0.20%
Total Expected Return²	100.0%		5.31%
Inflation for Actuarial Purposes			2.25%
			7.56%

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

² Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 15% of total assets; hedge funds (including all hedge funds used in portable alpha implementation) are capped at 15% of total assets.

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 5 – PENSION PLANS (CONTINUED)

Sensitivity Analysis: The following table presents the College's proportionate share of the net pension liability using the discount rate of 7 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6 percent) or 1 percent higher (8 percent) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
SCRS	\$9,575,363	\$7,410,724	\$5,611,552
PORS	174,925	124,003	82,291
Totals	\$9,750,288	\$7,534,727	\$5,693,843

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

NOTE 6 – DEFERRED COMPENSATION PLANS

Several optional deferred compensation plans are available to State employees and employers of its political subdivisions. Certain employees of the College 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 financial statements of the College. Compensation deferred under the plans is placed in trust for the contributing employee. The College 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 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Description of Entity: The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278, effective July 1, 2012. PEBA is a state agency responsible for the administration and management of the state's employee insurance programs, other post-employment benefits trusts and retirement systems and is part of the State of South Carolina primary government.

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA board must possess certain qualifications. Members of the PEBA board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July first of even numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFFA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits (OPEB).

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Plan Description: The South Carolina Retiree Health Insurance Trust Fund (SCRHITF) was established by the State of South Carolina as Act 195, which became effective in May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans.

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

The SCRHITF is a cost-sharing multiple-employer defined benefit OPEB plan. Article 5 of the State Code of Laws defines the plan and authorizes the Trustee to at any time adjust the plan, including its benefits and contributions, as necessary, to ensure the fiscal stability of the plan. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental benefits to retired State and school district employees and their covered dependents.

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

Benefits become effective when the former employee retires under a State retirement system.

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

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the years ended June 30, 2024 and June 30, 2023 (the measurement period) was 6.35 percent and 6.25 percent, respectively. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income.

The College's contributions to the SCRHITF plan for the year ended June 30, 2024 were \$257,881, which includes \$1,237 for implicit subsidy.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities. Accordingly, the College reported State operating grants revenue in the amount of \$906 for the year ending June 30, 2024, for its portion of these non-employer contributions made during the plan year ending June 30, 2023 (the measurement period).

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At June 30, 2024, the College reported a liability of \$4,995,449 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation performed as of June 30, 2022 rolled forward to the plan's fiscal year end, June 30, 2023, using generally accepted actuarial principles. The College's proportion of the net OPEB liability was based on the College's share of contributions to the OPEB plan relative to the contributions of all participating entities. At June 30, 2023, the College's proportion was 0.038518 percent, which was an increase of 0.000598 percent from its proportion measured as of June 30, 2022.

The collective net OPEB liability, measured as of June 30, 2023, is presented below.

Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
\$ 14,749,639,155	\$ 1,658,152,923	\$ 13,091,486,232	11.24%

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

For the year ended June 30, 2024, the College recognized OPEB expense of \$162,735. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 88,378	\$1,138,349
Changes of Assumptions	1,002,145	1,604,977
Net Difference Between Projected and Actual Investment Earnings	50,168	—
Changes in Proportionate Share and Difference between College Contributions and Proportionate Share of Employer Contributions	184,237	118,080
College Contributions Subsequent to the Measurement Date	257,881	—
Total Outflows and Inflows of Resources	\$1,582,809	\$118,080

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: (Continued)

The \$257,881 reported as deferred outflows of resources related to OPEB resulting from the College's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

<u>Year Ended June 30,</u>	
2025	\$(176,954)
2026	(171,161)
2027	(243,705)
2028	(368,990)
2029	(458,149)
Thereafter	(117,519)
Net Balance of Deferred Outflows / (Inflows) of Resources	<u>\$-1,359,524</u>

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

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

The June 30, 2023, total OPEB liability, net OPEB liability, and sensitivity information were determined by the consulting actuary, Gabriel Roeder Smith and Company (GRS) and are based on an actuarial valuation performed as of June 30, 2022. The total OPEB liability was rolled forward from the valuation date to the plan's fiscal year end, June 30, 2023, using generally accepted actuarial principles.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Actuarial Assumptions and Methods: (Continued)

The following table provides a summary of the actuarial assumptions and methods used to calculate the total OPEB liability as of June 30, 2023.

Methods and Assumptions

Valuation Date:	June 30, 2022
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:	3.86% as of June 30, 2023
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 are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 13 years
Aging Factors:	Based on plan specific experience
Retiree Participation:	79% for retirees who are eligible for funded premiums 59% for retirees who are eligible for partial funded premiums 20% for retirees who are eligible for non-funded premiums

The single discount rate changed from 3.69% as of June 30, 2022 to 3.86% as of June 30, 2023.

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

Asset Class	Target Asset 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 Equivalents	20.00%	0.35%	0.07%
Total	100.00%		0.83%
Expected Inflation			2.25%
Total Return			3.08%
Investment Return Assumption			2.75%

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Long-Term Expected Rate of Return: (Continued)

The annual money-weighted rate of return on the OPEB plan investments expresses investment performance, net of OPEB plan investment expense, adjusted for the changing amounts actually invested. The annual money-weighted real rate of return on the SCRHITF plan investments, net of OPEB plan investment expenses was -3.60%.

Single Discount Rate: The Single Discount Rate of 3.86% 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).

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following table presents the College's proportionate share of the net OPEB liability calculated using a single discount rate of 3.86 percent, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1.00 percent lower (2.86 percent) or 1.00 percent higher (4.86 percent) than the current rate:

	1.00% Decrease (2.86%)	Current Discount Rate (3.86%)	1.00% Increase (4.86%)
Net OPEB Liability	\$5,896,926	\$4,995,449	\$4,268,401

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost

Trend Rates: Regarding the sensitivity of SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the College's proportionate share of the net OPEB liability calculated using the assumed trend rates, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a trend rate that is 1.00 percent lower or 1.00 percent higher:

	1.00% Decrease	Current Healthcare Cost Trend Rate Assumption	1.00% Increase
Net OPEB Liability	\$4,147,924	\$4,995,449	\$6,084,336

Additional Financial and Actuarial Information: PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Fund. This information is publicly available through the PEBA – Insurance Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, South Carolina 29223. PEBA is considered a division of the primary government of the state of South Carolina and, therefore, the OPEB trust fund financial information is also included in the annual comprehensive financial report of the state.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 8 – CONTINGENCIES, LITIGATION, AND COMMITMENTS

The College is not currently involved in any active claims or lawsuits, nor is it aware of any pending claims or litigation that would affect the College's financial position.

The College participates in certain Federal grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. The College is not aware of any contingent liabilities related to the Federal grant programs.

The College had no outstanding commitments at June 30, 2024.

NOTE 9 – UNEARNED REVENUES

Unearned revenues as of June 30, 2024, is summarized as follows:

Student Tuition and Fees	\$ 211,657
State Grants and Contracts	2,006,725
Federal Grants and Contracts	2,263
Private Grants and Contracts	291,165
State Appropriations	800,000
State Capital Appropriations	<u>1,601,326</u>
Total Unearned Revenues	<u>\$4,913,136</u>

NOTE 10 – SUBSCRIPTIONS PAYABLE

The College has entered into multiple noncancelable Subscription Based Information Technology Arrangements (SBITAs) for various right-to-use Information Technology assets. The incremental borrowing rate ranges from 1.85% to 2.54%. As of June 30, 2024, the College has \$276,893 outstanding in SBITAs payable.

The annual requirements to amortize all SBITA payables as of June 30, 2024, including interest payments, are as follows:

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2025	\$232,034	\$ 5,572	\$237,606
2026	21,809	1,138	22,947
2027	<u>23,050</u>	<u>585</u>	<u>23,635</u>
Totals	<u>\$276,893</u>	<u>\$7,295</u>	<u>\$284,188</u>

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 11 – LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year	Net Long-Term
Compensated Absences Payable	\$ 294,303	\$ 66,393	\$ 11,126	\$ 349,570	\$ 13,951	\$ 335,619
Subscriptions Payable	494,353	-	217,460	276,893	232,034	44,859
Net OPEB Liability	5,768,330	173,026	945,907	4,995,449	-	4,995,449
Net Pension Liability	7,485,015	791,570	741,858	7,534,727	-	7,534,727
Total Long Term Liabilities	<u>\$14,042,001</u>	<u>\$ 1,030,989</u>	<u>\$1,916,351</u>	<u>\$ 13,156,639</u>	<u>\$ 245,985</u>	<u>\$12,910,654</u>

NOTE 12 – RISK MANAGEMENT

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

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

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

Employees elect health insurance coverage through either a health maintenance organization or through the State's self-insured plan.

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

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

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

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

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 13 – OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2024 are summarized as follows:

	<u>Salaries</u>	<u>Benefits</u>	<u>Scholarships</u>	<u>Utilities</u>	<u>Supplies and Other Services</u>	<u>Depreciation and Amortization</u>	<u>Total</u>
Instruction	\$ 1,863,986	\$ 786,053	\$ -	\$ -	\$ 923,004	\$ -	\$ 3,573,043
Academic Support	533,640	228,457	-	-	273,963	-	1,036,060
Student Services	520,505	242,631	-	-	181,908	-	945,044
Operation and							
Maintenance of Plant	309,077	142,820	-	125,676.00	198,500	-	776,073
Institutional Support	813,421	325,842	-	-	226,078	-	1,365,341
Scholarships	-	-	553,856	-	-	-	553,856
Auxiliary Enterprises	26,971	13,667	-	-	194,452	-	235,090
Depreciation and Amortization	-	-	-	-	-	502,420	502,420
Total Operating Expenses	<u>\$ 4,067,600</u>	<u>\$ 1,739,470</u>	<u>\$ 553,856</u>	<u>\$ 125,676</u>	<u>\$ 1,997,905</u>	<u>\$ 502,420</u>	<u>\$ 8,986,927</u>

NOTE 14 – RELATED PARTY

Williamsburg Technical College Foundation, Inc.

The Foundation is a separately chartered corporation organized exclusively to receive and manage private funds for the exclusive benefit and support of the College. The Foundation's activities are governed by its Board of Directors who are not members of the College's Board of Directors.

The College received \$24,546 to support the College by way of scholarships and program development grants from the Foundation for the fiscal year ending June 30, 2024. The Foundation reimburses the College for any purchases made by the College on behalf of the Foundation. The College provides staffing support and facilities space to the foundation. It has determined that these services and facilities are nominal and therefore are not reflected in the financial statements of the College for the current year.

Financial statements for the Foundation are audited by independent auditors and retained by them. There are no receivables or payables between the College and the Foundation as of June 30, 2024.

NOTE 15 – TRANSACTIONS WITH OTHER AGENCIES

The College had significant transactions with the State of South Carolina and various agencies.

Services received at no cost from State agencies include maintenance of certain accounting records by the Comptroller General; investment services from the State Treasurer; legal services from the Attorney General; and pension and insurance plans administration from the Public Employee Benefit Authority.

Other services received at no cost from the various offices of the South Carolina Department of Administration include audit services, grant services, personnel management, assistance in the preparation of the State Budget, review and approval of certain budget amendments, procurement services, and other centralized functions.

WILLIAMSBURG TECHNICAL COLLEGE
Notes to the Financial Statements
June 30, 2024

NOTE 16 – DONOR RESTRICTED ENDOWMENTS

Assets at June 30, 2024, consist of \$7,671 short-term investments, restricted for endowments. The donor has provided specific instructions to authorize the interest on the investment of endowment funds to be spent on scholarships.

The endowment is included in a certificate of deposit as shown in Note 2 in the investments section. At June 30, 2024, the endowment had no net appreciation. All is restricted and included in the restricted net position. This is in compliance with SC Code of Laws Sections 34-6-20, 34-6-30, and 34-6-60.

**WILLIAMSBURG TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE SCRS AND PORS NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30,**

Last Ten Years

SCRS - South Carolina Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
College's Proportion of the Net Pension Liability	0.030651%	0.030400%	0.030266%	0.030563%	0.031543%	0.030391%	0.029823%	0.030709%	0.031585%	0.033091%
College's Proportionate Share of the Net Pension Liability	\$7,410,724	\$7,369,666	\$6,549,843	\$7,809,503	\$7,202,565	\$6,809,758	\$6,713,637	\$6,559,397	\$5,990,247	\$5,697,173
College's Covered Payroll During the Measurement Period	\$3,740,384	\$ 3,512,951	\$3,350,870	\$3,339,866	\$3,233,928	\$3,065,415	\$2,931,595	\$2,918,430	\$2,911,931	\$2,942,532
College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	198.13%	209.79%	195.47%	233.83%	222.72%	222.15%	229.01%	224.76%	205.71%	193.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	57.10%	60.70%	50.70%	54.40%	54.10%	53.30%	52.90%	56.99%	59.92%

PORS - South Carolina Police Officers Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
College's Proportion of the Net Pension Liability	0.004074%	0.003846%	0.003423%	0.003737%	0.003238%	0.000559%	0.000450%	0.000402%	0.004266%	0.003746%
College's Proportionate Share of the Net Pension Liability	\$124,003	\$115,349	\$ 88,077	\$123,941	\$92,806	\$15,851	\$12,355	\$10,197	\$92,977	\$71,714
College's Covered Payroll During the Measurement Period	\$ 71,372	\$ 60,871	\$ 51,475	\$ 56,459	\$46,969	\$ 7,743	\$ 6,069	\$ 5,129	\$52,854	\$45,053
College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	173.74%	189.50%	171.11%	219.52%	197.59%	204.71%	203.58%	198.81%	175.91%	159.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.80%	66.40%	70.40%	58.80%	62.70%	61.70%	60.90%	60.40%	64.57%	67.55%

**WILLIAMSBURG TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COLLEGE CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30,**

Last Ten Years

SCRS - South Carolina Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	\$ 697,423	\$ 651,276	\$ 599,464	\$ 532,344	\$ 530,560	\$ 484,971	\$ 427,059	\$ 347,840	\$ 328,896	\$ 322,801
Contributions Recognized by the Plan	\$ 697,423	\$ 651,276	\$ 599,464	\$ 532,344	\$ 530,560	\$ 484,971	\$ 427,059	\$ 347,840	\$ 328,896	\$ 322,801
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's Covered Payroll	\$3,804,142	\$3,740,384	\$3,512,951	\$3,350,870	\$3,339,866	\$3,233,928	\$3,065,415	\$2,931,595	\$2,918,430	\$2,911,931
Contributions as a Percentage of Covered Payroll	18.33%	17.41%	17.06%	15.89%	15.89%	15.00%	13.93%	11.87%	11.27%	11.09%

PORS - South Carolina Police Officers Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	\$18,108	\$14,393	\$11,712	\$ 9,388	\$10,298	\$ 8,098	\$1,257	\$ 864	\$ 705	\$ 7,088
Contributions Recognized by the Plan	\$18,108	\$14,393	\$11,712	\$ 9,388	\$10,298	\$ 8,098	\$1,257	\$ 864	\$ 705	\$ 7,088
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's Covered Payroll	\$85,502	\$71,372	\$60,871	\$51,475	\$56,459	\$46,969	\$7,743	\$6,069	\$5,129	\$52,854
Contributions as a Percentage of Covered Payroll	21.18%	20.24%	19.24%	18.24%	18.24%	17.24%	16.24%	14.24%	13.75%	13.41%

**WILLIAMSBURG TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
FOR THE MEASUREMENT YEAR ENDED JUNE 30,**

South Carolina Retiree Health Insurance Trust Fund (SCRHITF)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
College's Proportion of the Net OPEB Liability	0.038518%	0.037920%	0.037595%	0.037963%	0.039202%	0.037179%	0.036453%	0.036453%
College's Proportionate Share of the Net OPEB Liability	\$4,995,449	\$5,768,330	\$7,828,475	\$6,852,871	\$5,927,940	\$5,268,482	\$4,937,499	\$5,274,250
College's Covered Payroll During the Measurement Period	\$4,000,448	\$3,727,104	\$3,506,028	\$3,499,322	\$3,428,508	\$3,206,201	\$3,074,057	\$3,024,517
College's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	124.87%	154.77%	223.29%	195.83%	172.90%	164.32%	160.78%	174.38%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.24%	9.64%	7.48%	8.39%	8.44%	7.91%	7.60%	6.62%

Schedule above will show ten years when available.

**WILLIAMSBURG TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COLLEGE CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30,**

South Carolina Retiree Health Insurance Trust Fund (SCRHITF)

	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily Required Contribution	\$ 257,881	\$ 251,461	\$ 234,162	\$ 219,127	\$ 218,708	\$ 207,425	\$ 176,341	\$ 163,847
Contributions Recognized by the Plan	\$ 257,881	\$ 251,461	\$ 234,162	\$ 219,127	\$ 218,708	\$ 207,425	\$ 176,341	\$ 163,847
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's Covered Payroll	\$ 4,041,629	\$4,000,448	\$3,727,104	\$3,506,032	\$3,499,322	\$3,428,508	\$3,206,201	\$3,074,057
Contributions as a Percentage of Covered Payroll	6.38%	6.29%	6.25%	6.25%	6.25%	6.05%	5.50%	5.33%

Schedule above will show ten years when available.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE STATE LOTTERY TUITION ASSISTANCE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

**To the President and Members of the Area Commission
of Williamsburg Technical College
Kingstree, South Carolina**

Report on Compliance for the State Lottery Tuition Assistance Program

Opinion on the State Lottery Tuition Assistance Program

We have audited **Williamsburg Technical College's** (the "College") compliance with the types of compliance requirements described in the State Lottery Tuition Assistance Program Policy 3-2-307 and procedure 3-2-307.1, issued by the State Board for Technical and Comprehensive Education, that could have a direct and material effect on the College's State Lottery Assistance Program for the fiscal year ended June 30, 2024.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the State Lottery Tuition Assistance program for the year ended June 30, 2024.

Basis for Opinion on the College's State Lottery Tuition Assistance Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Lottery Tuition Assistance Program Policy 3-2-307 and procedure 3-2-307.1, issued by the State Board for Technical and Comprehensive Education. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the State Lottery Tuition Assistance program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of State Law and Policy 3-2-307 and procedure 3-2-307.1 related to its State Lottery Tuition Assistance Program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. 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, *Government Auditing Standards*, and the State Lottery Tuition Assistance Program Policy 3-2-307 and procedure 3-2-307.1, issued by the State Board for Technical and Comprehensive Education will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of the State Lottery Tuition Assistance program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Lottery Tuition Assistance Program Policy 3-2-307 and procedure 3-2-307.1, issued by the State Board for Technical and Comprehensive Education, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Lottery Tuition Assistance Program Policy 3-2-307 and procedure 3-2-307.1, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the State Lottery Tuition Assistance program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the State Lottery Tuition Assistance program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the State Lottery Tuition Assistance program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Lottery Tuition Assistance Program Policy 3-2-307 and procedure 3-2-307.1, issued by the State Board for Technical and Comprehensive Education. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Columbia, South Carolina
September 19, 2024

WILLIAMSBURG TECHNICAL COLLEGE

SCHEDULE OF STATE LOTTERY TUITION ASSISTANCE PROGRAM FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SECTION I SUMMARY OF AUDIT RESULTS

State Lottery Tuition Assistance Program

Internal control over State Lottery Tuition Assistance Program:

Material weaknesses identified? ☐ Yes ☒ No

Significant deficiencies not considered to be material weaknesses? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for

State Lottery Tuition Assistance Program: Unmodified

Any audit findings disclosed that are required to be reported in accordance
with the State Law and Policy 3-2-307 and Procedure 3-2-307.1 of the
State Board for Technical College and Comprehensive Education?

☐ Yes ☒ No

SECTION II STATE LOTTERY TUITION ASSISTANCE PROGRAM FINDINGS AND QUESTIONED COSTS

None reported.