NEW ISSUE – BOOK ENTRY ONLY

RATING: S&P: "A-"
Stable Outlook
See: "RATING" herein

In the opinion of Ballard Spahr LLP, Bond Counsel, interest on the Bonds is excludable from gross income for purposes of federal income tax, assuming continuing compliance with the requirements of the federal tax laws. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion that under the laws of the Commonwealth of Pennsylvania, as presently enacted and construed, interest on the Bonds is exempt from Pennsylvania personal income tax and corporate net income tax. See "TAX MATTERS" herein.

$10,715,000
GENERAL AUTHORITY OF SOUTHCENTRAL PENNSYLVANIA
(Commonwealth of Pennsylvania)
Revenue Bonds
(AICUP Financing Program – York College of Pennsylvania Project)
Series 2021 TT2

Dated: Date of Delivery **Due: May 1, as shown on inside cover**

The General Authority of Southcentral Pennsylvania (the "Authority") will issue $10,715,000 aggregate principal amount of its Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2021 TT2 (the "Bonds") in denominations of $5,000 or any whole multiple thereof. The Bonds will be registered in the name of Cede & Co. as the registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York.

The principal of and premium, if any, on the Bonds will be payable to the registered owner at the designated corporate trust agency office of The Bank of New York Mellon Trust Company, N.A., Philadelphia, Pennsylvania, as trustee (the "Trustee") for the Bonds, or the designated corporate trust office of any successor Trustee. The Bonds will bear interest at the rates shown on the inside cover hereof. Interest on the Bonds will be payable semiannually on May 1 and November 1, commencing November 1, 2021, in each case by the Trustee to the registered owners by check, or by wire transfer at the request of holders of at least $1,000,000 aggregate principal amount of such Bonds.

The Bonds are payable solely from, and are secured by an assignment and a pledge of, payments and other revenues to be received by the Authority under a Loan Agreement between the Authority and York College of Pennsylvania (the "Borrower"), and from Bond proceeds and other moneys pledged to or held by the Trustee under the Trust Indenture between the Authority and the Trustee pursuant to which the Bonds are issued and secured.

The Bonds are subject to redemption prior to maturity as described herein.

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE SOLELY FROM THE SOURCES REFERRED TO IN THE INDENTURE PURSUANT TO WHICH SUCH BONDS ARE ISSUED AND SECURED, AND THE BONDS SHALL NOT BE OR BE DEEMED TO BE A GENERAL OBLIGATION OF THE AUTHORITY OR AN OBLIGATION OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA NOR ANY POLITICAL SUBDIVISION THEREOF IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS, AND NEITHER THE GENERAL CREDIT OF THE AUTHORITY NOR THE FAITH AND CREDIT OR TAXING POWER OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO SUCH PAYMENT. THE AUTHORITY HAS NO TAXING POWER.

The Bonds are offered when, as and if issued by the Authority, subject to prior sale, withdrawal or modification of the offer without any notice, and to the approving opinion of Ballard Spahr LLP, Philadelphia, Pennsylvania, Bond Counsel. Certain legal matters will be passed upon by Law Offices of Stock and Leader, LLP, York, Pennsylvania, as counsel to the Authority; by Barley Snyder, LLP, York, Pennsylvania, as counsel to the Borrower; and by Eckert Seamans Cherin & Mellott, LLC, Pittsburgh, Pennsylvania, as counsel to the Underwriter. It is expected that Bonds in definitive form will be delivered to DTC in New York, New York, on or about April 30, 2021.

STIFEL

The date of this Official Statement is April 14, 2021.

GENERAL AUTHORITY OF SOUTHCENTRAL PENNSYLVANIA
(Commonwealth of Pennsylvania)
REVENUE BONDS
(AICUP FINANCING PROGRAM - YORK COLLEGE OF PENNSYLVANIA PROJECT)
SERIES 2021 TT2

MATURITY SCHEDULE

Maturity Date (May 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP*
2022	$525,000	5.000%	0.480%	104.516%	84129NMS5
2023	570,000	5.000%	0.580%	108.788%	84129NMT3
2024	625,000	5.000%	0.720%	112.691%	84129NMU0
2025	675,000	5.000%	0.920%	115.998%	84129NMV8
2026	640,000	5.000%	1.100%	118.933%	84129NMW6
2027	600,000	5.000%	1.280%	121.428%	84129NMX4
2028	655,000	5.000%	1.420%	123.783%	84129NMY2
2029	720,000	5.000%	1.590%	125.529%	84129NMZ9
2030	795,000	5.000%	1.760%	126.866%	84129NNA3
2031	935,000	5.000%	1.890%	128.223%	84129NNB1
2032	855,000	4.000%	1.980%	118.248%[C]	84129NNC9
2033	1,160,000	4.000%	2.030%	117.752%[C]	84129NND7
2034	1,960,000	4.000%	2.070%	117.357%[C]	84129NNE5

[C] Priced to the first optional redemption date of May 1, 2031.

* The above CUSIP (Committee on Uniform Securities Identification Procedures) numbers have been assigned by an organization not affiliated with the Authority, the Borrower or the Underwriter, and such parties are not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of bondholders and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such issue or the use of secondary market financial products. None of the Authority, the Borrower or the Underwriter has agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers set forth above.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE.

No dealer, broker, salesperson or other person has been authorized by the Authority, the Borrower, the Program Sponsor or the Underwriter (hereinafter defined) to give any information or to make any representations with respect to the Bonds other than those in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be a sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Except for the information concerning the Authority, the information contained herein is not to be construed as a representation by the Authority.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority, the Borrower, or in any other matter described herein, since the date hereof or the dates of the information contained herein.

The order and placement of materials in this Official Statement, including the Appendices hereto, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices hereto, must be considered in its entirety.

The offering of the Bonds is made only by means of the entire Official Statement. This Official Statement is deemed "final" by the Authority and the Borrower within the meaning of Rule 15c2-12(b) under the Securities Exchange Act of 1934, as amended.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN THE OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT.

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OFFICIAL STATEMENT SUMMARY

The following is a summary of certain information contained in this Official Statement, to which reference should be made for a complete statement thereof. The Bonds are offered to potential investors only by means of the entire Official Statement, which includes the cover page and reverse thereof, this Summary, and the Appendices hereto. No person is authorized to detach this Summary from the Official Statement or otherwise use it without the entire Official Statement, including the cover page and reverse thereof, this Summary, and the Appendices hereto.

The Authority

General Authority of Southcentral Pennsylvania (the "Authority") is a body corporate and politic created by the Board of Commissioners of York County, Pennsylvania, pursuant to the provisions of the Pennsylvania Municipality Authorities Act, 53 Pa. Cons. Stat. §§5601-5622, as amended and supplemented (the "Act"). The Authority is authorized under the Act, among other things, to issue bonds or other obligations to finance projects for "eligible educational institutions" (as defined in the Act). The Bonds are being issued pursuant to the Act and a resolution adopted by the Authority.

The Program Sponsor

The financing program pursuant to which the Bonds will be issued is sponsored by the Association of Independent Colleges and Universities of Pennsylvania ("AICUP"), a nonprofit corporation located in Harrisburg, Pennsylvania, currently providing services and programs to 92 institutions of higher education in Pennsylvania. See "THE PROGRAM SPONSOR" herein.

The Borrower

York College of Pennsylvania (the "Borrower") is a Pennsylvania nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Borrower is located in the City of York and Spring Garden Township, York County, Pennsylvania. For more information regarding the Borrower, see Appendices A and B hereto.

The Trustee

The Bank of New York Mellon Trust Company, N.A., Philadelphia, Pennsylvania has been appointed to serve as the trustee under the Indenture.

The Project

The proceeds of the sale of the Bonds will be used, together with other available funds, to finance the costs of a project (the "Project") for the benefit of the Borrower consisting of (i) the refunding of the outstanding Pennsylvania Higher Educational Facilities Authority Multi-Mode Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project), Series 2014 T2 and Series 2014 T3 (collectively, the "Refunded Bonds"), and (ii) the payment of certain costs of issuing the Bonds. See "THE PROJECT" herein.

Authorized Denominations; Book-Entry Only

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds, and the Bonds will be registered in the name of Cede & Co., as registered owner and nominee for DTC. Individual purchases of Bonds will be made in book-entry form, in the authorized denomination of $5,000 and any whole multiple thereof. So long as Cede & Co. or any successor nominee of DTC is the registered owner of the Bonds, references herein to the Bondholders, Holders, holders, owners or registered owners shall mean Cede & Co., or such successor nominee, and shall not mean the Beneficial Owners (hereinafter defined) of the Bonds. Principal and interest on the Bonds are payable by the Trustee to Cede & Co., as nominee for DTC, which will, in turn, remit such principal and interest to the DTC Participants for subsequent disbursement to the Beneficial Owners. (See "THE BONDS – Book Entry Only System" herein).

Security for Bonds

The Bonds are limited obligations of the Authority payable solely from pledged revenues and other moneys assigned and pledged under the Indenture to secure such payment, including (i) the loan payments required to be made by the Borrower under the Loan Agreement, and (ii) moneys and obligations held by the Trustee in certain funds established under the Indenture. (See "SECURITY AND SOURCES OF PAYMENT FOR BONDS" herein.)

The Loan Agreement is the general obligation of the Borrower and the full faith and credit of the Borrower is pledged to secure the payments required thereunder. The Borrower's obligations under the Loan Agreement are secured by a pledge of the Pledged Revenues of the Borrower (as further described under "SECURITY AND SOURCES OF PAYMENT FOR BONDS – Pledged Revenues" below). For a summary of certain provisions of the Loan Agreement, see "THE LOAN AGREEMENT" herein.

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE SOLELY FROM THE SOURCES REFERRED TO IN THE INDENTURE PURSUANT TO WHICH THE BONDS ARE ISSUED AND SECURED, AND THE BONDS SHALL NOT BE OR BE DEEMED TO BE A GENERAL OBLIGATION OF THE AUTHORITY OR AN OBLIGATION OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA NOR ANY POLITICAL SUBDIVISION THEREOF IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS, AND NEITHER THE GENERAL CREDIT OF THE AUTHORITY NOR THE FAITH AND CREDIT OR TAXING POWER OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO SUCH PAYMENT. THE AUTHORITY HAS NO TAXING POWER.

Redemption Provisions

The Bonds are subject to optional redemption as set forth herein. (See "THE BONDS -- Redemption Prior to Maturity" herein.)

OFFICIAL STATEMENT

$10,715,000
GENERAL AUTHORITY OF SOUTHCENTRAL PENNSYLVANIA
(Commonwealth of Pennsylvania)
REVENUE BONDS
(AICUP FINANCING PROGRAM - YORK COLLEGE OF PENNSYLVANIA PROJECT)
SERIES 2021 TT2

INTRODUCTORY STATEMENT

This Official Statement, including the cover page and reverse thereof, the table of contents page, the Official Statement Summary and the Appendices hereto, is provided to furnish information with respect to the $10,715,000 aggregate principal amount of Revenue Bonds (AICUP Financing Program - York College of Pennsylvania Project) Series 2021 TT2 (the "Bonds") being issued by the General Authority of Southcentral Pennsylvania (the "Authority") under a Trust Indenture, dated as of April 1, 2021 (the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., a national banking association, Philadelphia, Pennsylvania, as trustee (the "Trustee"). The Bonds will be dated the date of their initial delivery, will mature on the date or dates set forth on the inside cover hereof, and will be subject to redemption prior to maturity as described herein under "THE BONDS – Redemption Prior to Maturity."

The Authority will loan the proceeds of the Bonds to York College of Pennsylvania, a Pennsylvania nonprofit corporation (the "Borrower"), pursuant to a Loan Agreement dated as of April 1, 2021 between the Authority and the Borrower (the "Loan Agreement"). The Borrower is a private institution of higher education located in the Commonwealth of Pennsylvania, which is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Additional information respecting the Borrower, including certain financial statements, is set forth in Appendices A and B to this Official Statement.

The proceeds of the sale of the Bonds will be used, together with other available funds, to finance the costs of a project (the "Project") for the benefit of the Borrower consisting of the financing of (i) the refunding of the outstanding Pennsylvania Higher Educational Facilities Authority Multi-Mode Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project), Series 2014 T2 and Series 2014 T3 (collectively, the "Refunded Bonds") and (ii) the payment of certain costs of issuing the Bonds. See "THE PROJECT" herein.

The Bonds are limited obligations of the Authority, and the principal thereof and premium, if any, and interest thereon will be payable solely from the revenues and other moneys assigned and pledged under the Indenture to secure such payment, including (i) the loan payments required to be made by the Borrower under the Loan Agreement, and (ii) moneys and obligations held by the Trustee in certain funds established under the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR BONDS" herein.

There follow herein brief descriptions of the Authority, the Program Sponsor, the Bonds and the Project, together with summaries of the Loan Agreement and the Indenture. Certain information regarding the Borrower, including certain financial statements, is set forth in Appendices A and B hereto. The form of the Continuing Disclosure Certificate is set forth in Appendix C, and the form of opinion of Bond Counsel is set forth in Appendix D. The description and summaries of the Loan Agreement, the Indenture and other documents contained herein do not purport to be comprehensive and are qualified in their entirety by reference to such documents, and all references to the Bonds are qualified in their entirety by the definitive form thereof included in the Indenture. Words and terms defined in such documents and not defined herein shall have the meanings set forth in such documents. Copies of such documents will be available during the initial offering period from the Underwriter, and thereafter, will be available for inspection at the corporate trust office of the Trustee in Philadelphia, Pennsylvania or at the designated corporate trust office of any successor Trustee.

THE AUTHORITY

General

The Authority is a body politic and corporate of the Commonwealth of Pennsylvania organized and existing under the Act by a resolution adopted by the Board of County Commissioners of York County (the "County"). The Authority may finance projects for "eligible educational institutions" (as defined in the Act). The Authority has issued, and may continue to issue, other series of revenue bonds and notes for the purposes of financing other projects as permitted by the Act. None of the Authority's outstanding revenue bonds or notes, other than the Bonds, is payable from or secured by the revenues of the Borrower or other monies securing the Bonds.

Members of the Authority

The governing body of the Authority is a Board consisting of seven members appointed by the County Commissioners of the County of York. Members of the Board are appointed for staggered terms. The present members of the Board are:

Members	Position
Oliver W. Hoar	Chairman
Travis D. Gentzler	Vice Chairman
Sue DeStephano	Vice Chair and Treasurer
Douglas Becker	Member
Loren H. Kroh	Member
James Phipps	Member
Claire Forbush	Member

Non-Members	Position
Kevin Schreiber	Secretary
Kenetha Hansen	Assistant Secretary
Ronald L. Hershner	Solicitor

Authority Not Liable on the Bonds

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE SOLELY FROM THE SOURCES REFERRED TO IN THE INDENTURE PURSUANT TO WHICH THE BONDS ARE ISSUED AND SECURED, AND THE BONDS SHALL NOT BE OR BE DEEMED GENERAL OBLIGATIONS OF THE AUTHORITY OR OBLIGATIONS OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA NOR ANY POLITICAL SUBDIVISION THEREOF IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS, AND NEITHER THE GENERAL CREDIT OF THE AUTHORITY NOR THE FAITH AND CREDIT OR TAXING POWER OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO SUCH PAYMENT. THE AUTHORITY HAS NO TAXING POWER.

The Authority has not prepared or assisted in the preparation of this Official Statement, except the statements with respect to the Authority contained under the captions "THE AUTHORITY" and "LITIGATION," and, except as aforesaid, the Authority is not responsible for any statements made in this Official Statement. Except for the execution and delivery of documents required to effect the issuance of the Bonds, the Authority has not otherwise assisted in the public offer, sale or distribution of the Bonds. Accordingly, except as aforesaid, the Authority disclaims responsibility for the disclosures set forth in this Official Statement or otherwise made in connection with the offer, sale and distribution of the Bonds.

The Authority does not and will not in the future monitor the financial condition of the Borrower, the operations of the Project Facilities or otherwise monitor payment of the Bonds or compliance with the documents relating thereto. The responsibility of the operation of the Project Facilities will rest entirely with the Borrower and not with the Authority. The Authority will rely entirely upon the Trustee and the Borrower to carry out their respective responsibilities under the Indenture and the Loan Agreement and with respect to the Project Facilities.

THE PROGRAM SPONSOR

The Association of Independent Colleges and Universities of Pennsylvania ("AICUP" or the "Program Sponsor") is a nonprofit corporation located in Harrisburg, Pennsylvania. The Program Sponsor sponsors and administers services and programs for its membership, which currently is comprised of 92 institutions of higher education in the Commonwealth. The current members of AICUP are listed on the inside back cover of this Official Statement.

The Program Sponsor is sponsoring this bond financing program (the "Program"), pursuant to which the Bonds and other series of bonds have been issued, in order to provide both an efficient and cost effective source of funding for projects of its members or their supporting organizations. In connection with the Program, the Program Sponsor, among other things, will monitor the participation of individual members in the Program. The Program Sponsor will be paid a fee from bond proceeds in connection with the Program activities. Neither the Program Sponsor nor any member of AICUP (other than any AICUP member in its individual capacity as a borrower of proceeds of its particular series of bonds) has any liability for the repayment of any series of bonds, or the loan of bond proceeds to any entity, including the Borrower.

THE BONDS

General

The Bonds will be dated, and will bear interest from, the date of their initial delivery. The Bonds will mature, unless previously called for redemption, on the dates and in the amounts set forth on the inside cover hereof, and will bear interest at the rates set forth on the inside cover hereof. Interest will be payable on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing November 1, 2021. The Bonds will be issued as fully registered Bonds without coupons and will be in the denomination of $5,000 and any integral multiple thereof.

The principal or redemption price of the Bonds will be payable upon presentation and surrender of the Bonds at the designated office of the Trustee and interest on the Bonds will be paid on the applicable Interest Payment Date by check mailed to the owners of Bonds shown as the registered owners on the registration books maintained by the Trustee as registrar at the close of business on the fifteenth (15^{th}) day of the calendar month next preceding such Interest Payment Date. The interest becoming due on the Bonds shall, at the written request of the registered owner of at least $1,000,000 aggregate principal amount of the Bonds received by the Trustee at least two Business Days before the corresponding Regular Record Date, be paid by wire transfer within the continental United States in immediately available funds to the bank account number of the registered owner specified in such request. (See "THE BONDS – Book Entry Only System" below.)

The Bank of New York Mellon Trust Company, N.A. has been appointed as Trustee under the Indenture and has a corporate trust office in Philadelphia, Pennsylvania. The Trustee shall act as registrar, paying agent and transfer agent for the Bonds.

As used herein, "Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions located in Philadelphia, Pennsylvania, New York, New York, or any other city in which the Payment Office of the Trustee is located are authorized or required by law or executive order to close or a day on which the New York Stock Exchange or DTC is closed.

Book Entry Only System

The information in this section has been provided by The Depository Trust Company, New York, New York ("DTC") and is not deemed to be a representation of the Authority, the Underwriter or the Borrower. DTC will act as the initial securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity, and all certificates will be deposited with DTC or pursuant to its instructions.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent by the Trustee to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority or the Trustee as soon as possible after the record date with respect to any request for consent or vote. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose account the respective Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, redemption price and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or Trustee, on each payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC, the Trustee, the Authority or the Borrower, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest to Cede & Co. (or to such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered. The Authority may determine to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered as described in the Indenture.

For every transfer and exchange of ownership interests in Bonds, the Beneficial Owners may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

IT IS THE DUTY OF EACH BENEFICIAL OWNER TO MAKE ARRANGEMENTS WITH THE APPLICABLE DIRECT PARTICIPANT OR INDIRECT PARTICIPANT TO RECEIVE FROM SUCH PARTICIPANT NOTICES OF PAYMENTS OF PRINCIPAL, PREMIUM (IF ANY) AND INTEREST, AND ALL OTHER PAYMENTS AND COMMUNICATIONS WHICH THE DIRECT PARTICIPANT RECEIVES FROM DTC. NEITHER THE AUTHORITY NOR THE TRUSTEE HAS ANY DIRECT OBLIGATION OR RESPONSIBILITY TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS.

THE AUTHORITY, THE TRUSTEE AND THE BORROWER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (1) PAYMENTS OF PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE BONDS, (2) CONFIRMATION OF BENEFICIAL OWNERSHIP INTEREST IN THE BONDS, OR (3) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION, AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DIRECT PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE AUTHORITY, THE TRUSTEE, NOR THE BORROWER SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A BONDHOLDER WITH RESPECT TO (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE

TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (4) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS REGISTERED OWNER OF THE BONDS.

So long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, references herein to the Holders, holders, owners or registered owners of such Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds.

Redemption Prior to Maturity

The Bonds will be subject to redemption prior to maturity as follows:

Optional Redemption . The Bonds maturing on or after May 1, 2032 are subject to optional redemption prior to maturity by the Authority, at the direction of the Borrower, on or after May 1, 2031, in whole or in part at any time. Any such redemption shall be made at a redemption price equal to 100% of the stated principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption. The Bonds are not subject to mandatory sinking fund redemption prior to maturity.

At its option, the Borrower may deliver to the Trustee for cancellation Bonds purchased by the Borrower pursuant to the Indenture.

Procedure for and Notice of Redemption

The Trustee is required to cause notice of the call for redemption, identifying the Bonds or portions thereof to be redeemed, to be sent by first class mail, not more than 60 days and not less than 30 days prior to the date set for redemption of all or part of such Bonds, to the registered owner of each Bond to be redeemed at such owner's registered address. So long as the Bonds or any portion thereof are held by DTC, the Trustee shall send each notice of redemption of such Bonds to DTC. Failure to mail any such notice or defect in the mailing thereof in respect of any Bond shall not affect the validity of the redemption of any other Bond with respect to which notice is properly given.

If at the time of mailing of notice of any optional redemption the Authority shall not have deposited with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice will state that it is conditional in that it is subject to the deposit of sufficient moneys with the Trustee not later than the opening of business on the redemption date, in which case such notice shall be of no effect unless moneys are so deposited.

If less than all Bonds are to be redeemed, the particular Bonds to be called for redemption shall be selected from the maturities designated by the Borrower and within a maturity by lot or any method determined by the Trustee to be fair and reasonable; provided that if any Bond is to be redeemed in part, the principal portion to remain outstanding must be in an authorized denomination. In the case of a partial redemption of Bonds, when Bonds of denominations greater than $5,000 are then Outstanding, each $5,000 unit of face value of principal thereof shall be treated as if it were a separate Bond of the denomination of $5,000.

THE PROJECT

The proceeds from the sale of the Bonds, together with other available funds, will be used to finance a project for the benefit of the Borrower consisting of the financing of (i) the refunding of the Refunded Bonds and (ii) the payment of certain costs of issuing the Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds in connection with the Bonds:

Sources of Funds

Par Amount of Bonds	$10,715,000.00
Original Issue Premium (Discount)	2,030,043.05
TOTAL SOURCES OF FUNDS	$12,745,043.05

Uses of Funds

Refunding of Refunded Bonds	$12,577,326.88
Costs of Issuance [1]	167,716.17
TOTAL USES OF FUNDS	$12,745,043.05

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(1) Includes amounts to be paid for Authority related fees, Trustee fees, rating agency fees, legal counsel fees, printing costs, Underwriter's discount, Program Sponsor fee, and other fees and expenses.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds will constitute limited obligations of the Authority payable solely from, and secured by, the revenues and other moneys pledged and assigned by the Indenture to secure that payment. Those revenues and other moneys include the payments required to be made by the Borrower under the Loan Agreement (other than certain fees and indemnification payments required to be made to the Authority); all other moneys receivable by the Authority, or by the Trustee for the account of the Authority, in respect of repayment of the loan of the proceeds of the Bonds; and certain monies and securities in the funds and accounts held by the Trustee under the Indenture (collectively, the "Revenues").

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE SOLELY FROM THE SOURCES REFERRED TO IN THE INDENTURE PURSUANT TO WHICH THE BONDS ARE ISSUED AND SECURED, AND THE BONDS SHALL NOT BE OR BE DEEMED TO BE A GENERAL OBLIGATION OF THE AUTHORITY OR AN OBLIGATION OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA NOR ANY POLITICAL SUBDIVISION THEREOF IS OR SHALL BE OBLIGATED TO PAY THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS, AND NEITHER THE GENERAL CREDIT OF THE AUTHORITY NOR THE FAITH AND CREDIT OR TAXING POWER OF YORK COUNTY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO SUCH PAYMENT. THE AUTHORITY HAS NO TAXING POWER.

The Indenture

The Bonds will be issued under and secured by the Indenture. The Indenture provides that all Bonds issued thereunder will be limited obligations of the Authority, payable solely from the sources identified therein, which include: (i) payments required to be made by the Borrower under the Loan Agreement (other than certain fees and indemnification payments required to be paid to the Authority or to the Trustee), and (ii) certain moneys and securities held by the Trustee under the Indenture and investment earnings thereon (but excluding the Rebate Fund). See "THE INDENTURE" below for a summary of certain provisions of the Indenture.

The Loan Agreement

Under the Loan Agreement, the Borrower will be obligated to make loan payments in amounts necessary to provide for the payment as and when due of the principal or redemption price of, and interest on, the Bonds, any amounts that may be required to make up any deficiency that may occur in any funds and accounts established under the Indenture, and to provide for certain other payments required by the Indenture. The Authority will assign the Loan Agreement, including its right to receive loan payments thereunder (other than certain fees, expenses and indemnification payments required to be paid to the Authority or to the Trustee) to the Trustee as security for the Bonds.

The Loan Agreement is the general obligation of the Borrower and the full faith and credit of the Borrower is pledged to secure the payments required thereunder. The Borrower's obligations under the Loan Agreement are secured by a pledge of the Pledged Revenues of the Borrower (as further described under "Pledged Revenues" below). For a summary of certain provisions of the Loan Agreement, see "THE LOAN AGREEMENT" herein.

Pledged Revenues

To secure its obligations under the Loan Agreement, the Borrower will grant to the Trustee (as the assignee of the Authority) a lien on and security interest in its Pledged Revenues (the "Parity Lien"), on a parity with any lien on and security interest in the Pledged Revenues heretofore or hereafter granted by the Borrower to secure the Borrower's obligations respecting any Parity Indebtedness incurred by or for the benefit of the Borrower (see "Prior Bonds" below). The term "Pledged Revenues" is defined under the caption "DEFINITIONS OF CERTAIN TERMS" herein. The existence of such lien and security interest in the Pledged Revenues of the Borrower will not prevent the Borrower from expending, depositing or commingling such funds so long as the Borrower is not in default under the Loan Agreement and any agreements pertaining to any applicable Parity Indebtedness.

Prior Bonds

The following revenue bonds heretofore issued for the benefit of the Borrower (the "Prior Bonds") will remain outstanding after the issuance of the Bonds: (i) \$8,565,000 Pennsylvania Higher Educational Facilities Authority Multi-Mode Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project), Series 2014 T4 (the "Series 2014 T4 Bonds"); (ii) \$20,205,000 outstanding principal amount of General Authority of Southcentral Pennsylvania Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2015 NN2; (iii) \$15,655,000 York County Industrial Development Authority Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2016 OO3; (iv) \$20,085,000 Revenue Bonds (AICUP Financing Program - York College of Pennsylvania Project) Series 2017 PP4; (v) \$7,070,000 General Authority of Southcentral Pennsylvania Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2020 SS1; and (vi) \$14,210,000 outstanding principal amount of General Authority of Southcentral Pennsylvania Federally Taxable Multi-Mode Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2020 W1 and Series 2020 W2 (the "Series 2020 W1 Bonds" and the "Series 2020 W2 Bonds", respectively). The agreements entered into by the Borrower to secure its obligations respecting the Prior Bonds, and all supplements and amendments thereto, are collectively referred to herein as the "Prior Debt Documents."

The Prior Debt Documents contain various covenants and agreements, solely for the benefit of the holders of the Prior Bonds, which will be in effect so long as any of the Prior Bonds remain outstanding. A default by the Borrower in its obligations under the Prior Debt Documents could result in a default under the Loan Agreement and the Indenture that secures the Bonds. Prior to the closing for the issuance of the Bonds, copies of the Prior Debt Documents may be obtained upon request to the Underwriter.

The Prior Bonds are secured by a lien on and security interest in the Pledged Revenues of the Borrower, which liens are, pursuant to the Intercreditor Agreement, on a parity with the lien on and security interest in such Pledged Revenues that will be granted by the Borrower to secure its obligations under the Loan Agreement.

On the date of issuance of the Bonds, the Trustee will enter into Supplement No. 4 to the Intercreditor Agreement with the Borrower and the existing Parity Indebtedness secured parties. The Intercreditor

Agreement provides that the Borrower shall cause each holder of additional Parity Indebtedness of the Borrower to enter into a supplement to the Intercreditor Agreement, pursuant to which such holder shall agree to the collection and distribution of any Pledged Revenues for the equal and ratable benefit and security of all holders of Parity Indebtedness pro rata based in proportion to the aggregate amount of outstanding Parity Indebtedness.

Rate Covenant

Under the Loan Agreement, the Borrower covenants that it will establish, charge and collect tuition, student fees and charges for services provided by the Borrower such that Net Revenues Available for Debt Service (defined under "THE LOAN AGREEMENT" below) will equal or exceed, in each fiscal year, 110% of the Debt Service Requirement for such fiscal year. See "THE LOAN AGREEMENT – Rate Covenant" below.

Liens on Pledged Revenues and Other Properties

Except as described above under "Pledged Revenues," the Borrower has not given or granted a mortgage lien or other security interest or encumbrance upon any property of the Borrower to secure its payment obligations under the Loan Agreement. In the Loan Agreement, the Borrower covenants and agrees that it shall not grant any liens on its Pledged Revenues or the Borrower Facilities (whether real or personal, and whether owned as of the date of issuance of the Bonds or acquired thereafter) except for Permitted Encumbrances (defined below).

Additional Indebtedness

The Borrower may incur, guaranty or assume additional indebtedness upon compliance with specified requirements and limitations contained in the Loan Agreement and the Parity Debt Documents. To the extent permitted under the Loan Agreement and the Parity Debt Documents, such additional indebtedness may be secured by liens on and security interests in property of the Borrower, including a lien on and security interest in the Pledged Revenues on a parity with the lien on and security interest in the Pledged Revenues granted to secure the Bonds and any Parity Indebtedness of the Borrower. See "THE LOAN AGREEMENT – "Incurrence of Additional Indebtedness" and "Security for Indebtedness"" herein for a description of the requirements and limitations relating to the incurrence of and security for additional indebtedness which may be incurred by the Borrower.

DEFINITIONS OF CERTAIN TERMS

The following are definitions of certain terms used in the summaries of the Loan Agreement and Indenture set forth below. All capitalized terms used herein and not otherwise defined in this Official Statement, shall have the same meanings as set forth in the Indenture or Loan Agreement.

"**Audited Financial Statements**" means financial statements prepared in accordance with GAAP which have been examined and reported on by an independent certified public accountant.

"**Balloon Debt**" means debt 25% or more of the principal amount of which comes or may come due in any one Fiscal Year by maturity, mandatory sinking fund redemption or optional or mandatory tender by the holder thereof.

"**Bond Counsel**" means an attorney-at-law or a firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America.

"**Bond Documents**" means the Loan Agreement, the Indenture, the Bonds and all other documents executed by the Borrower or the Authority in connection therewith, including but not limited to any Continuing Disclosure Certificate entered into by the Borrower.

"**Bondholder**" or **"Holder"** or **"Registered Owner"** or **"Owner"** of Bonds means the registered owner of any Bond.

"**Borrower Facilities**" shall mean the buildings, structures, real estate and any appurtenant facilities, equipment and fixtures currently owned or hereafter acquired by the Borrower, used by the Borrower in connection with its functioning as a non-profit institution of higher learning.

"**Borrower Representative**" means the President, any Vice President or the Chief Financial Officer of the Borrower, or each person at the time designated to act on behalf of the Borrower by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by its Secretary or Assistant Secretary or other such authorized officer.

"**Certificate**" means a certificate or report, in form and substance reasonably satisfactory to the Authority and the Trustee, executed: (a) in the case of an Authority Certificate, by an Authority Representative; (b) in the case of a Borrower Certificate, by a Borrower Representative; and (c) in the case of a Certificate of any other Person, by such Person, if an individual, and otherwise by an officer, partner or other authorized representative of such Person; provided that in no event shall any individual be permitted to execute any Certificate in more than one capacity.

"**Consultant**" shall mean a Person, who shall be Independent, appointed by the Borrower or the Authority, as the case may be, generally recognized as qualified to pass upon the matters under consideration and having a favorable reputation for skill and experience in such matters.

"**Debt Service Requirement,**" with reference to a specified period, shall mean:

a. interest payable on Long-Term Indebtedness during the period, excluding (i) interest funded from the proceeds thereof and (ii) interest on Long-Term Indebtedness to be redeemed during such period through any sinking fund account which would otherwise accrue after the redemption date;

b. amounts required to be paid into any mandatory sinking fund account for Long-Term Indebtedness during the period;

c. amounts required to pay the principal of Long-Term Indebtedness maturing during the period and not to be redeemed prior to maturity through any mandatory sinking fund account; and

d. in the case of Long-Term Indebtedness in the form of a lease capitalized under GAAP, the lease rentals payable during the period;

provided, however, that (i) in the case of Variable Rate Debt, interest shall be calculated, in any projection of Debt Service Requirement for a future period, (A) if the debt has been outstanding for at least 24 months, at 120% of the average interest rate on such debt during the most recent 24-month period, (B) if such debt has been outstanding for at least 12 months but less than 24 months, at the higher of 100% of the average interest rate on such debt for the most recent 12-month period or the rate in effect on the date of calculation, and (C) if such debt has been outstanding for less than 12 months, at a rate equal to 100% of (1) the average SIFMA Municipal Swap Index for the preceding 24 months, if such debt is tax-exempt debt, and (2) the average rate for one-month LIBOR for the preceding 24 months, if such debt is taxable debt, (ii) in the case of Balloon Debt, such debt shall be assumed to amortize on a level debt service basis over a period of 20 years or the actual remaining term to maturity, whichever is less, unless a binding commitment to refinance such debt upon maturity has been provided by a financial institution rated at least "A2" from Moody's or "A" from S&P, in which case such debt will be assumed to mature in accordance with the terms of such binding commitment, (iii) interest payable shall be reduced by the amount of any interest subsidy which a Federal, state or local government is irrevocably committed to pay for the period in question, and (iv) the Debt Service Requirement on any Long Term Indebtedness in the form of a guaranty of the indebtedness of others shall be deemed equal to (A) 25% of the annual principal and interest requirements on the indebtedness being guaranteed during each Fiscal Year if the guaranteed entity had Net Revenues Available for Debt Service at least equal to 150% of the annual debt service on its long-term debt in its latest fiscal year, (B) 50% of the annual principal and interest requirements on the indebtedness being guaranteed during each Fiscal Year if the guaranteed entity had Net Revenues Available for Debt Service at least equal to 125% but less than 150% of the annual debt service on its long-term debt in its latest fiscal year, (C) 75% of the annual principal and interest requirements on the indebtedness being guaranteed during each Fiscal Year if the guaranteed entity had Net Revenues Available for Debt Service at least equal to 110% but less than 125% of the annual debt service on its long-term debt in its latest fiscal year, and (D) 100% of the annual principal and interest requirements on the indebtedness being guaranteed during each Fiscal Year if the guaranteed entity had Net Revenues Available for Debt Service below 110% of the annual debt service on its long-term debt in its latest fiscal year or if the Borrower has made a payment on the guaranteed entity's debt during any of the last three Fiscal Years.

"**GAAP**" means generally accepted accounting principles as defined more specifically in the Loan Agreement.

"**Government Obligations**" means (i) U.S. Treasury certificates, notes and bonds (including State and Local Government Series (SLGS)), (ii) direct obligations of the U.S. Treasury which have been stripped by the U.S. Treasury, and (iii) obligations issued by the following agencies which are backed by the full faith and credit of the United States of America: U.S. Export-Import Bank (direct obligations or fully guaranteed certificates of beneficial ownership), Farmers Home Administration, Federal Financing Bank, General Services Administration (participation certificates), U.S. Maritime Administration (guaranteed Title XI financing), and U.S. Department of Housing and Urban Development (project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds).

"**Intercreditor Agreement**" means the Intercreditor Agreement (Amended and Restated) and Security Agreement, dated as of June 1, 2015, among the Trustee, the Borrower and the bond trustees for the respective series of Prior Bonds, as amended and supplemented by Supplement No. 1 dated as of June 29 2016, Supplement No. 2 dated as of October 30, 2017, Supplement No. 3 dated as of November 24, 2020 and Supplement No. 4 dated as of April 30, 2021, and as further amended and supplemented from time to time, or any other intercreditor agreement entered into with respect to the Bonds and any Parity Indebtedness.

"**Loan Payments**" means the amounts required to be paid by the Borrower in repayment of the loan of Bond proceeds pursuant to the Loan Agreement.

"**Long-Term Indebtedness**" shall mean all obligations for the payment of money (including, without limitation, all Bonds), incurred, assumed or guaranteed by the Borrower, whether due and payable in all events, or upon the performance of work, the possession of property as lessee or the rendering of services by others, except:

a. Short-Term Indebtedness;

b. current obligations payable out of current revenues, including current payments for the funding of pension plans;

c. obligations under contracts for supplies, services, and pensions, allocable to current operating expenses of future years in which the supplies are to be furnished, the services rendered, or the pensions paid;

d. rentals payable in future years under leases, whether or not such leases are required to be capitalized under GAAP;

e. Non-Recourse Indebtedness (as described under the heading "THE LOAN AGREEMENT – Incurrence of Additional Indebtedness") or any other obligation secured solely by and paid solely from sources other than Pledged Revenues; and

f. Student Loan Guarantees complying with the requirements described under the heading "THE LOAN AGREEMENT – Student Loan Guarantees," except to the extent includable as Long-Term Indebtedness under the provisions thereof.

"**Maximum Annual Debt Service Requirement**" shall mean, with respect to any Long-Term Indebtedness, the maximum Debt Service Requirement for any one Fiscal Year during the remaining life of such Long-Term Indebtedness.

"**Moody's**" means Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated in writing by the Borrower.

"**Net Revenues Available for Debt Service**" shall mean, for any period, the sum of (i) change in net assets from operations (including investments designated for operations) without donor restrictions as calculated in the Audited Financial Statements, together with any unrestricted funds of the Borrower legally available to be used for the payment of debt service, less total operating expenses without donor restriction, exclusive of unrealized and realized gains and losses on long-term investments, (ii) all interest expense of the Borrower for such period, and (iii) all depreciation expense for such period; provided that no determination of Net Revenues Available for Debt Service shall take into account any disposition of capital assets not in the ordinary course of business to the extent otherwise included in the foregoing calculations of revenue and expenses, any other gains or losses resulting from changes in accounting principles not involving the receipt or expenditure of cash, or any other non-operating, non-cash expenses.

"**Outstanding**" in connection with the Bonds, means, as of the time in question, all Bonds authenticated and delivered under the Indenture, except: (i) bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment or redemption at or prior to that time; (ii) bonds paid pursuant to the Indenture; (iii) bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of the Indenture; and (iv) bonds in substitution for which other Bonds have been authenticated under the Indenture. In determining whether the Owners of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions hereof, only Bonds which a Responsible Officer of the Trustee actually knows are held by or on behalf of the Borrower shall be disregarded for the purpose of any such determination, unless 100% of the Bonds are so held, in which case all of the Bonds shall be deemed Outstanding.

"**Parity Indebtedness**" means the existing indebtedness as of the date of issuance of the Bonds that is described under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Prior Bonds" and subject to the Intercreditor Agreement, and any additional indebtedness secured on a parity with the Bonds in accordance with the Loan Agreement.

"**Permitted Encumbrances**" shall mean, with respect to the Pledged Revenues and the Borrower Facilities as of any particular time, (i) liens arising by reason of good faith deposits by the Borrower in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the Borrower to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges; (ii) liens arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose as required by law or regulation (A) as a condition to the transaction of any business or the exercise of any privilege or license, or (B) to enable the Borrower to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with worker's compensation, unemployment insurance, or pension or profit sharing plans or other social security plans or programs, or to share in the privileges or benefits required for companies participating in such arrangements; (iii) any judgment lien against the Borrower, so long as the finality of such judgment is being contested and execution thereon is stayed and (A) provision for payment of the judgment has been made in accordance with applicable law or by the deposit of cash or investments with a commercial bank or trust company or (B) adequate insurance coverage is available to satisfy such judgment; (iv) such defects, irregularities, encumbrances, utility easements, access and other easements and rights of way, restrictions, exceptions and clouds on title which do not have a material and adverse effect on the interests of the holders of Bonds and do not materially interfere with or impair the operations of the Borrower; (v) any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in good faith; (vi) such minor defects and irregularities of title as normally exist with respect to facilities similar in character to the Borrower Facilities and which do not have a material and adverse effect on the value of, or materially impair, the Borrower Facilities affected thereby for the purpose for which they were acquired or are held by the Borrower; (vii) zoning laws and similar restrictions which are not violated by the Borrower Facilities affected thereby; (viii) all right, title and interest of the Commonwealth, municipalities and the public in and to tunnels, bridges and passageways over, under or upon a public way; (ix) liens on property received by the Borrower through gifts, grants or bequests, such liens being due to restrictions on such gifts, grants or bequests or property or income thereon; (x) liens for taxes, special assessments, or other governmental charges not then delinquent or being contested in good faith; (xi) liens and encumbrances permitted as described herein under the heading "THE LOAN AGREEMENT – Security for Indebtedness;" (xii) liens on goods and equipment as normally exist with respect to facilities similar in character to the Borrower Facilities; and (xiii) liens and encumbrances securing indebtedness existing on the date of issuance of the Bonds and identified on an Exhibit attached to the Loan Agreement.

"**Permitted Investments**" means any of the following investments, if and to the extent the same are at the time legal for investment of the funds held under the Indenture:

(i) Government Obligations.

(ii) obligations issued or guaranteed by any of the following agencies (stripped securities are only permitted if they have been stripped by the agency itself): Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (participation certificates or senior debt obligations), Federal National Mortgage Association (mortgage-backed securities and senior debt obligations), Student Loan Marketing Association (senior debt obligations), Resolution Funding Corp., and Farm Credit System (consolidated system-wide bonds and notes).

(iii) Certificates of deposit issued by commercial banks, savings and loan associations or mutual savings banks which certificates of deposit are secured at all times by collateral consisting of Government Obligations, including those of the Trustee or any of its affiliates. Such collateral must be held by a third party and the Trustee must have a perfected first security interest in the collateral.

(iv) Certificates of deposit, including those placed by a third party pursuant to an agreement between the Trustee and the Borrower, savings accounts, bank deposit products, deposit accounts or money market deposits which are (a) held by a bank (including the Trustee and its affiliate) rated not less than AA by S&P or Aa by Moody's (in each case, without regard to ratings modifiers) or (b) fully insured by the Federal Deposit Insurance Corporation.

(v) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "P-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P.

(vi) Obligations of a state, a territory, or a possession of the United States, or any political subdivision of any of the foregoing or of the District of Columbia as described in Section 103(a) of the Code if such obligations are rated by Moody's and S&P in one of the two highest rating categories assigned by such rating agencies, including pre-refunded Municipal Obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which: (A) are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; (B) mature no more than three hundred sixty five (365) days after the date of purchase; and (C) are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating by each Rating Service then maintaining a rating on any Bond.

(vii) Commercial paper rated, at the time of purchase, not less than P-1 by Moody's and A-1 by S&P.

(viii) Any money market mutual fund registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating at the time of investment by S&P of AAAm-G, AAA-m, or AA-m and if rated by Moody's rated Aaa, Aa1 or Aa2, or analogous ratings if such ratings are no longer being used by S&P or Moody's, including, without limitation, any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (1) the Trustee or an affiliate of the Trustee receives and retains fees from such funds for services rendered to such funds, (2) the Trustee charges and collects fees for services rendered pursuant to the Indenture, which fees are separate from the fees received from such funds, and (3) services performed for such funds and pursuant to the Indenture may at times duplicate those provided to such funds by the Trustee or its affiliates.

(ix) Investment agreements with, or which are guaranteed by, a financial institution which has an unsecured, uninsured and unguaranteed obligation rated, at the time such agreement is entered into, in one of the two highest rating categories by Moody's or S&P, or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting such rating requirements, including any affiliate of the Trustee provided (i) interest is paid at least semi-annually at a fixed rate during the entire term of the agreement, consistent with the Interest Payment Dates, (ii) moneys invested thereunder may be withdrawn for any purpose required under the Indenture without any penalty, premium or charge upon not more than seven days' notice (provided such notice may be amended or cancelled at any time prior to the withdrawal date), (iii) the agreement is not subordinated to any other obligations of such financial institution or bank, (iv) the same guaranteed interest rate will be paid on any future deposits permitted to be made under such investment agreement, and (v) the Trustee receives an opinion of counsel that such agreement is an enforceable obligation of such financial institution.

"**Person**" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, a governmental unit or agency, a political subdivision or instrumentality thereof, or any other group or organization of individuals.

"**Pledged Revenues**" shall mean all receipts, revenues, income and other moneys received by or on behalf of the Borrower from the operation, ownership or leasing of all Borrower Facilities, all gifts, grants, bequests, donations and contributions received by the Borrower, and all rights to receive the same whether in the form of accounts, accounts receivable, contract rights, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, including any insurance proceeds and any condemnation awards derived therefrom, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Borrower in connection with the Borrower Facilities; provided, however, that there shall be excluded from Pledged Revenues: gifts, grants, bequests, donations and contributions heretofore or hereafter made, the application of the proceeds of which is designated or restricted at the time of making thereof by the donor, payor or maker as being for certain specified purposes inconsistent with the application thereof to the payment of Loan Payments under the Loan Agreement or not subject to pledge, or subsequent to the receipt thereof, so designated or restricted by the Borrower in order to meet the requirements of any challenge grant received by the Borrower, and the income derived therefrom to the extent that it is permanently restricted in or by such designation or restriction or by law.

"**Prior Bonds**" means the revenue bonds so defined under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Prior Bonds."

"**Project Facilities**" means the facilities financed or refinanced with proceeds of the Bonds.

"**Property**" means any and all rights, titles and interests in and to any and all property, whether real or personal, tangible or intangible and wherever situated.

"**Rating Service**" means Moody's, if the Bonds are rated by such at the time, and S&P, if the Bonds are rated by such at the time, and their successors and assigns, or if either shall be dissolved or no longer assigning credit ratings to long term debt, then any other nationally recognized entity assigning credit ratings to long term debt designated by the Authority and satisfactory to the Trustee.

"**Refunding Indebtedness**" means indebtedness issued for the purpose of refunding other Long-Term Indebtedness.

"**Responsible Officer**" means, when used with respect to the Trustee, any vice president, assistant vice president or other officer of the Trustee within the Designated Office and having direct responsibility for the administration of the Indenture.

"**Short-Term Indebtedness**" shall mean all obligations of the Borrower for the repayment of borrowed money having a final maturity of 365 days or less from the date incurred, excluding the current portion of any Long-Term Indebtedness.

"**S&P**" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, its successors and assigns, and, if such rating agency shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated in writing by the Borrower.

"**Student Loan Guarantees**" shall mean any guarantees by the Borrower of the primary obligations of students enrolled at the Borrower to repay loans made to them, or any guarantee by the Borrower of obligations incurred by other parties to finance loans to or for the benefit of such students.

"**Total Operating Revenues**" means the aggregate of all operating revenues without donor restrictions, of the Borrower less applicable deductions from operating revenues without donor restrictions (but before deduction of operating expenses without donor restrictions) as determined in accordance with GAAP.

"**Trust Estate**" means the Loan Agreement, the Loan Payments, the Funds (except the Rebate Fund) and Accounts created under the Indenture, Revenues (as defined in the Indenture, and which include certain investment income), and the other right, title and interest assigned, transferred and pledged or intended so to be to the Trustee under the Indenture.

"**Variable Rate Debt**" shall mean indebtedness which bears interest at a variable, adjustable, or floating rate.

THE LOAN AGREEMENT

The following description of certain provisions of the Loan Agreement is only a brief outline of some of the provisions thereof and does not purport to summarize or describe all of the provisions thereof. Reference is made to the Loan Agreement, a copy of which is on file at the corporate trust office of the Trustee in Philadelphia, Pennsylvania, for a complete statement of these provisions and other provisions which are not summarized in this Official Statement.

General

The Loan Agreement provides for the financing by the Authority of the Project and a loan of the proceeds of the Bonds from the Authority to the Borrower. Under the Loan Agreement, the Authority, at the request of the Borrower, will obtain funds necessary to finance the Project through the issuance and sale of the Bonds and concurrently therewith, a portion of the proceeds shall be transferred to the trustee for the Refunded Bonds and applied to the costs of refunding the Refunded Bonds, and a portion of the proceeds shall be applied to the costs of issuing the Bonds. The Borrower agrees to repay the loan in installments corresponding to the principal or redemption price of and interest on the Bonds.

Loan Payments

To provide funds to pay the principal or redemption price of and interest on the Bonds as and when due, the Borrower will make Loan Payments to the Trustee corresponding, as to amounts, to the principal or redemption price of and interest on the Bonds, such payments to be made at least ten calendar days before the corresponding dates for payments on the Bonds. The Borrower will also pay the administrative fees and expenses of the Authority and the Trustee as provided in the Loan Agreement. The Borrower shall also be entitled to credits against the loan payments as and to the extent provided in the Indenture.

Pledge of Revenues

As security for the Borrower's obligation to make payments required under the Loan Agreement and to make all other payments due and perform all other obligations under the Loan Agreement, the Borrower pledges, assigns and grants to the Trustee, as assignee of the Authority, a lien on and a security interest in its Pledged Revenues, on a parity with the liens and security interests previously granted to secure Parity Indebtedness. (See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Prior Bonds.") The existence of such pledge and security interest will not prevent the expenditure, deposit or commingling of the Pledged Revenues by the Borrower so long as all required payments under the Loan Agreement are made when due. Subject to the terms of the Intercreditor Agreement, if any required payment is not made when due or an Event of Default shall have occurred under the Loan Agreement, any Pledged Revenues subject to such security interest which are then on hand and not yet commingled with other funds of the Borrower, and any such Pledged Revenues thereafter received, shall not be commingled or deposited but shall immediately be paid over to the Trustee.

Maintenance of Existence

The Borrower shall do all things necessary to preserve and keep in full force and effect its existence as a not-for-profit corporation under the laws of the Commonwealth and shall not (i) dissolve or otherwise sell, transfer or dispose of all, or substantially all, of its assets or (ii) consolidate with or merge into any other entity; provided that, subject to certain provisions of the Loan Agreement relating to the tax-exempt status of the Borrower and the Bonds, the preceding restrictions shall not apply to a transaction to which the Authority consents in writing if the transferee or the surviving or resulting entity, if other than the Borrower, by written instrument satisfactory to the Authority and the Trustee, irrevocably and unconditionally assumes and agrees to perform and observe the agreements and obligations of the Borrower under the Loan Agreement and the provisions of the Loan Agreement described below under the heading "Assignment" are satisfied.

The Borrower covenants that it will maintain the necessary accreditation to enable it to maintain its authority to operate as an institution of higher education in the Commonwealth of Pennsylvania.

Compliance with Laws; Commencement and Continuation of Operations at Project Facilities; No Sale, Removal or Demolition of Project Facilities

The Borrower will acquire, construct, install, operate and maintain the Project Facilities in such manner as to comply with the Act and all applicable requirements of federal, state and local laws and the regulations, rules and orders of any federal, state or local agency, board, commission or court having jurisdiction over the Project Facilities or the operation thereof, including without limitation applicable zoning, planning, building and environmental laws, regulations, rules and orders; provided that the Borrower shall be deemed in compliance with this covenant so long as it is contesting in good faith any such requirement by appropriate legal proceedings. The Borrower will not sell, assign or otherwise dispose of (whether in one transaction or in a series of transactions) its interest in the Project Facilities or any material portion thereof (other than as described above under the heading "Maintenance of Existence" and other than leases permitted as described below under the heading "Lease by Borrower") or undertake or permit the demolition or removal of the Project Facilities or any material portion thereof without the prior written consent of the Authority; provided that the Borrower shall be permitted to sell, transfer, assign or otherwise dispose of or remove any portion of the Project Facilities which is retired or replaced in the ordinary course of business.

Lease by Borrower

The Borrower may, subject to certain provisions of the Loan Agreement, including provisions relating to the tax-exempt status of the Borrower and the Bonds, lease the Project Facilities, in whole or in part, to one or more other Persons, provided that: (a) no such lease shall relieve the Borrower from its obligations under the Loan Agreement; (b) in connection with any such lease the Borrower shall retain such rights and interests as will permit it to comply with its obligations under the Loan Agreement; (c) no such lease shall impair materially the accomplishment of the purposes of the Act to be accomplished by operation of the Project Facilities as herein provided; (d) any such lease shall require the lessee to operate the Project Facilities as a "project" under the Act as long as the Bonds are outstanding; (e) in the case of a lease to a new lessee or an assignment of an existing lease to a new lessee of substantially all of the Project Facilities, such new lessee shall have been approved by the Authority (such approval not to be unreasonably withheld); and (f) the lessees under any such leases, including any leases in force on the date of issuance of the Bonds, shall be subject to certain terms and conditions of the Loan Agreement relating to the tax-exempt status of the Borrower and the Bonds.

Financial Statements

The Borrower shall cause its Annual Financial Statements for each Fiscal Year to be examined by an Independent Certified Public Accountant. A copy of such financial statements and the Independent Certified Public Accountant's report thereon shall be filed on EMMA and therefore deemed to have been provided to the Authority and the Trustee within 30 days after release of such audited financial statements by the Borrower's Board of Trustees. The Trustee shall have no duty to examine or review such financial statements, shall not be considered to have notice of the contents of such statements or of a default or Event of Default under the Loan Agreement or under any other document based on such content and shall have no duty to verify the accuracy of such statements.

Taxes, Other Governmental Charges and Utility Charges

The Borrower shall pay, or cause to be paid before the same become delinquent, all taxes, assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project Facilities, including any equipment or related property installed or bought by the Borrower therein or thereon, and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project Facilities. With respect to special assessments or other governmental charges that lawfully may be paid in installments over a period of years, the Borrower shall be obligated to pay only such installments as are required to be paid during the term of the Loan Agreement. The Borrower may, at its expense, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom, unless the Authority or the Trustee shall notify the Borrower that, in the opinion of counsel selected by the Authority or the Trustee, by nonpayment of any such items the Project Facilities or any part thereof will be subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid promptly. The Borrower shall also comply at its own cost and expense with all notices received from public authorities with respect to the Project.

Insurance

The Borrower covenants and agrees that it will continuously maintain insurance on its properties and against such risks (including casualty, accident and worker's compensation), in such amounts and with such deductibles, as are consistent with customary coverage, as from time to time in effect, in connection with the operation of properties of type and size comparable to properties as maintained by entities similar to the Borrower; provided, that property and casualty coverage shall at all times be maintained in an amount at least equal to the outstanding principal amount of the Bonds.

In the event the property and liability insurance required by the preceding paragraph is not commercially available at a reasonable cost or has been otherwise provided, the Borrower may accept such substituted coverage, including coverage from a captive insurance company or a consortium, as is recommended by an independent insurance consultant, provided, however, that no Event of Default shall occur under the Loan Agreement if such substitute coverage is unavailable, and the Borrower makes a continuing good faith effort to secure the insurance or such substitute coverage, including self-insurance. For purposes of the foregoing, "independent insurance consultant" means a nationally recognized firm of insurance agents, brokers or consultants with experience and expertise in assessing the property and casualty and liability risks of the Borrower and, if applicable, assessing the risks associated with such substitute insurance coverage, and if the Borrower has coverage through a captive insurance company or a consortium, includes an independent insurance consultant retained by such captive insurance company or consortium.

The Borrower may self-insure solely for professional liability, employee health insurance, workers compensation insurance, unemployment insurance, commercial general liability insurance, automobile insurance, student health and accident insurance, directors and officers insurance, travel insurance, broadcasters liability insurance, publishers liability insurance, and excess liability insurance, so long as the Borrower's self-insurance plan provides for (i) the establishment by the Borrower of a separate segregated self-insurance fund funded in an amount confirmed as to sufficiency through the annual auditing process by an independent auditor or an insurance consultant or nationally recognized independent actuarial consultant employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program. If the Borrower elects to self-insure for professional liability, the Borrower shall within 150 days after the end of each Fiscal Year cause an independent insurance consultant or nationally recognized independent actuarial consultant to submit a report to the Trustee to the effect that such self-insurance plan maintains adequate reserves and has been adequately funded.

Damage to or Condemnation of Project Facilities

In the event of damage, destruction or condemnation of part or all of the Project Facilities, the Borrower will either: (i) restore the Project Facilities, (ii) if permitted by the terms of the Bonds, direct the Authority to call the Bonds for optional redemption pursuant to the Indenture, or (iii) apply any insurance proceeds or condemnation awards received with respect to such damage, destruction or condemnation to any other purpose specified in a Borrower Certificate delivered to the Authority and the Trustee and accompanied by an opinion of Bond Counsel to the effect that such application will not result in the interest on the Bonds becoming included in the gross income of the Holders for federal income tax purposes.. Damage to, destruction of or condemnation of all or a portion of the Project Facilities shall not terminate the Loan Agreement or cause any abatement of or reduction in the payments to be made by the Borrower under the Loan Agreement.

Rate Covenant

The Borrower covenants that it will establish, charge and collect tuition, student fees and charges for services provided by the Borrower such that Net Revenues Available for Debt Service will equal or exceed, in each Fiscal Year, 110% of the Debt Service Requirement for such Fiscal Year.

If, in any Fiscal Year, the Borrower fails to meet the foregoing covenant, it shall immediately retain a Consultant to make a report and recommendation with respect to such tuition, student fees and other charges, and with regard to operations of the Borrower. The Borrower further covenants that upon receipt of such report and recommendation from the Consultant, the Borrower shall cause copies thereof to be filed with the Trustee, and the Borrower shall within 60 days of the receipt of such report and recommendation describe in writing to the Trustee what action, if any, the Borrower shall take upon the report and recommendation of the Consultant. So long as the amount described in the preceding paragraph is equal to at least 100% of the Debt Service Requirement for the Fiscal Year in question, and provided that the Borrower does not fail to meet the foregoing rate covenant for two consecutive Fiscal Years, no Event of Default shall be deemed to have occurred under the Loan Agreement unless the Borrower shall have failed to take the foregoing steps.

Incurrence of Additional Indebtedness

The Borrower covenants that it will not incur or assume additional Long Term Indebtedness unless there is no Event of Default under the Loan Agreement or under the Indenture that has occurred and is continuing, and prior to the incurrence thereof, the Borrower delivers to the Trustee a Borrower Certificate stating the Maximum Annual Debt Service requirement with respect to all outstanding Long-Term Indebtedness immediately after the incurrence of the proposed Long-Term Indebtedness does not exceed an amount equal to 12% of Total Operating Revenues without donor restriction of the Borrower for the most recent Fiscal Year for which audited financial statements are available. Notwithstanding the foregoing, the following types of indebtedness may be incurred without meeting the foregoing requirements:

Refunding Indebtedness. Refunding Indebtedness may be incurred without limitation.

Short-Term Indebtedness. The Borrower may, from time to time, incur or assume Short-Term Indebtedness in the ordinary course of business in any amount up to 20% of Total Operating Revenues for the preceding Fiscal Year, less any Short-Term Indebtedness then outstanding; provided, however, that no Short-Term Indebtedness shall be outstanding for a period of at least 10 consecutive calendar days in each Fiscal Year.

Student Loan Guarantees. The Borrower may incur indebtedness in the form of Student Loan Guarantees as described below under the heading "Student Loan Guarantees."

Non-Recourse Indebtedness. The Borrower may, from time to time, incur debt which is (i) incurred to finance additional capital projects; or (ii) is nonrecourse debt secured solely by a lien on and security interest in the property financed by such debt and/or the revenues therefrom; or (iii) unsecured debt associated with the United States Government, Commonwealth of Pennsylvania or York County, which may be used for any purpose ("Non-Recourse Indebtedness").

Purchase Money Financings. The Borrower may, from time to time, incur debt without complying with the debt incurring tests described above if such debt (i) is issued to finance the acquisition of machinery or equipment; (ii) is unsecured or secured solely by a purchase money security interest in the acquired machinery or equipment; and (iii) is in a principal amount which, when added to the total amount of indebtedness incurred pursuant to this paragraph and outstanding immediately after the incurrence of the new debt, is less than or equal to 15% of the Total Operating Revenues for the then most recent Fiscal Year.

Security for Indebtedness

Any Long-Term Indebtedness or Short-Term Indebtedness hereafter incurred or assumed as described above under the caption "Incurrence of Additional Indebtedness" may be secured only as follows:

(i) In the case of Parity Indebtedness: (a) by a lien on and security interest in the Pledged Revenues ranking on a parity with the lien and security interest granted under the Loan Agreement as confirmed by the execution and delivery by the holder of such debt or a trustee acting on behalf of such holder of a joinder or other agreement by which such lender or holder shall be bound by the terms of the Intercreditor Agreement; or (b) by a lien or mortgage on and/or security interest in Borrower Facilities, provided that, if the Borrower grants a mortgage on or security interest in any part of the Borrower Facilities, the Borrower shall grant to the Trustee a mortgage of equal priority on and/or security interest in the same property to secure the Loan Agreement.

(ii) In the case of nonrecourse debt, solely by a lien on and/or security interest in the property financed with such debt and/or the revenues therefrom.

(iii) In the case of purchase money financings, solely by a purchase money security interest in machinery or equipment financed with such debt.

(iv) In the case of Student Loan Guarantees, solely by a lien or pledge upon Pledged Revenues subordinate and junior to the pledge of Pledged Revenues under the Loan Agreement.

(v) In the case of other Long-Term Indebtedness:

(A) by a lien, on and security interest in any property or interest in tangible property, real, personal, or mixed, other than the Borrower's Facilities or the Pledged Revenues; or

(B) by a purchase money security interest in any real property, fixtures, machinery and equipment made part of the Borrower Facilities and revenues therefrom; or

(C) by a lien on and security interest in the Pledged Revenues subordinate to the lien and security interest granted under the Loan Agreement; provided, however, that no such permitted indebtedness shall be secured by the moneys and investments held by the Trustee in any Funds created under the Indenture.

(vi) Any Short-Term Indebtedness incurred pursuant to the Loan Agreement may be secured solely:

(A) by a purchase money security interest in personal property acquired with the proceeds thereof; or

(B) by a lien on or mortgage against any real or personal property not constituting Borrower Facilities; or

(C) by a lien on and security interest in the Pledged Revenues ranking on a parity with or subordinate to that granted under the Loan Agreement; provided, however, that (i) no such permitted indebtedness shall be secured by the moneys and investments in any Funds held by the Trustee under the Indenture; and (ii) if such lien and security interest shall rank on a parity with that granted under the Loan Agreement, the holder or a trustee acting on behalf of such holder shall have confirmed such parity lien and security interest by the execution and delivery of a joinder or other agreement by which such holder or trustee shall be bound by the terms of the Intercreditor Agreement.

Student Loan Guarantees

The Borrower may incur obligations in the form of Student Loan Guarantees which meet the following criteria upon compliance with the following requirements:

(i) The loans to students shall be made pursuant to a program, whether governmental or privately sponsored, for the purpose of providing aid to students for tuition, room and/or board, or other expenses associated with the attendance by the student at the Borrower's institution and which program shall require that the Borrower execute its Student Loan Guarantee.

(ii) In the case of a program which is fully funded, no part of the obligations guaranteed by the Borrower shall constitute Long-Term Indebtedness of the Borrower. A program shall be deemed to be "fully-funded" if the assets of the program are at least equal to its liabilities, without regard to the guarantee by the Borrower. In determining the assets of the program, full effect must be given to estimated anticipated losses on student repayments to the extent not insured and due provision shall have been made to cover any shortfall between the principal amount of the obligations and the proceeds thereof (i.e., "nonasset bonds"). The plan may be made fully-funded by deposits, bank letters of credit or other credit support facilities provided by the Borrower or others.

(iii) To the extent that a program is not fully funded as provided above, the amount by which the liabilities exceed the assets shall be determined and such amount shall constitute Long-Term Indebtedness of the Borrower for all purposes of the Loan Agreement and the proportionate part of the debt service requirements on such obligations represented by such deficiency shall be deemed to be part of the Debt Service Requirement. A program which at its commencement is not fully funded may nonetheless be demonstrated to have become fully funded at a later date at which time there shall cease to be any Long-Term Indebtedness attributable to such Student Loan Guarantees so long as it continues to be fully-funded.

(iv) The fully funded status of a program or the extent to which a program is not fully funded shall be determined by a Certificate of the Pennsylvania Higher Education Assistance Authority or other issuing governmental authority if such Certificate be obtainable, or in the alternative, shall be certified to by a Consultant, which may be the Certified Public Accountant regularly retained by the Borrower, which Certificate in any case shall set forth in full the basis of its determination.

(v) If a Consultant's Certificate or Certificate of the issuing agency is not available, as provided above, the extent to which the principal amount of the Student Loan Guarantees shall be considered Long-Term Indebtedness shall be determined by multiplying the principal amount of such Student Loan Guarantees by the average default ratio, during the three Fiscal Years preceding such Student Loan Guarantees, for university students participating in United States Government guaranteed student loans programs.

(vi) The guarantee by the Borrower may be secured only by a lien or pledge upon Pledged Revenues subordinate and junior to the pledge of Pledged Revenues under the Loan Agreement.

No Liens or Encumbrances

The Borrower covenants and agrees that it will not grant any liens on the Pledged Revenues or the Borrower Facilities (whether real or personal, and whether owned as of the date of the Loan Agreement or acquired thereafter) except for Permitted Encumbrances.

Disposition of Assets

The Borrower covenants and agrees that it will not sell, transfer or otherwise dispose of any Property (other than transfers of current assets or investments in payment for property, goods or services, or as an investment of funds) except as follows:

(i) The Borrower may transfer property constituting a portion of the Borrower Facilities having a net book value of not more than 10% of the Borrower's total unrestricted net assets shown on its most recent audited financial statements, provided that the Trustee receives a Borrower Certificate which states the Borrower's intended use of the proceeds of such transfer and that such transfer will not adversely affect the ability of the Borrower to meet its payment obligations under the Loan Agreement; or

(ii) If no Event of Default under the Loan Agreement shall have occurred and be continuing, the Borrower may, with or without consideration:

(A) transfer easements, licenses, rights of way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Borrower Facilities, or release existing easements, licenses, rights of way and other rights or privileges, all upon such terms and conditions as the Borrower shall determine; or

(B) transfer any property which has been replaced in the ordinary course of operations; or

(C) transfer tangible or intangible personal property, fixtures, or equipment from the Borrower Facilities in the ordinary course of business; or

(D) transfer real estate at any one time or during any Fiscal Year having a net book value alone or in the aggregate not in excess of 10% of the Borrower's net property, plant, and equipment as so determined; or

(E) transfer any property at any one time or during any Fiscal Year having a net book value alone or in the aggregate in excess of the amounts set forth in (i) and (ii)(D) above or not in the ordinary course of business, if the Borrower shall file with the Trustee a Certificate showing that the Borrower's total unrestricted net assets immediately after such transfer shall not be less than 90% of such total unrestricted net assets before such transfer, and stating that such transfer will not adversely affect the ability of the Borrower to meet its payment obligations under the Loan Agreement.

Tax Covenants of Borrower and Authority

The Borrower covenants in the Loan Agreement that it will at all times do and perform all acts and things necessary or desirable and within its reasonable control in order to assure that interest paid on the Bonds shall not be includable from the gross income of the Holders thereof for federal income tax purposes and that it shall not take or omit to take, or permit to be taken on its behalf, any actions which, if taken or omitted, would adversely affect the excludability from the gross income of the Holders of interest paid on the Bonds for federal income tax purposes.

The Authority and the Borrower mutually covenant for the benefit of the Holders of the Bonds that they will not use the proceeds of the Bonds, any moneys derived, directly or indirectly, from the use or investment thereof or any other moneys on deposit in any fund or account maintained in respect of the Bonds (whether such moneys were derived from the proceeds of the sale of the Bonds or from other sources) in a manner which would cause such Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code or would otherwise violate the provisions of the Indenture relating to arbitrage.

The Borrower has covenanted that it will comply with various requirements of the Code pertaining to the excludability of interest on the Bonds from gross income of Holders thereof for federal income tax purposes, including, without limitation, that:

(a) It will take whatever actions are necessary for it to continue to be organized and operated in a manner which will preserve and maintain its status as an organization which is described in Section 501(c)(3) of the Code, exempt from federal income taxes under Section 501(a) of the Code and not a private foundation under Section 509(a) of the Code (or corresponding provisions of prior law), and it will not perform any acts nor enter into any agreements which would cause any revocation or adverse modification of such federal income tax status; and

(b) The Borrower will make such payments to the Trustee as are required of it under the Indenture in connection with the requirements of Section 148 of the Code concerning arbitrage bonds including Section 148(f), which requires generally rebate payments to the United States of arbitrage profits, and to pay the costs and expenses of any Financial Consultant engaged in accordance with the Indenture to assist in calculating the amount of such rebate payments, if any.

Environmental Matters

The Borrower covenants to comply in all material respects with all applicable federal, state and local laws, ordinances, rules and regulations pertaining to the environment (collectively, "Environmental Laws"), including, without limitation, those regulating hazardous or toxic wastes and substances (as such phrases may be defined in any Environmental Law), and to give prompt written notice to the Trustee and the Authority of any material violation or alleged material violation of any Environmental Law with respect to the Borrower's property. The Borrower will indemnify and defend the Authority and the Trustee and their respective directors, officers, employees and agents (the "Indemnified Parties"), and hold the Indemnified Parties harmless from, any loss, liability, damage, claim, fine, penalty, action or cause of action, including, without limitation, out-of-pocket and incidental expenses and court costs and reasonable attorney's fees and expenses and the allocated costs of in-house counsel and legal staff, consultants' fees and any clean-up or remediation costs, arising from any violation or alleged violation by the Borrower of any Environmental Law with respect to the Borrower's property.

Borrower's Use of the Project Facilities

The Borrower will use the Project Facilities only in furtherance of the lawful purposes of the Borrower.

The Borrower further agrees that it will use the Project Facilities for secular instruction and will not use any of the Project Facilities as a facility used primarily in connection with any part of a program of a school or department of divinity for any religious denomination for the training of ministers, priests, rabbis or other similar persons in the field of religion or in a manner which would violate the First Amendment to the Constitution of the United States of America, including the decisions of the United States Supreme Court interpreting the same, or any comparable provisions of the Constitution of the Commonwealth, including the decisions of the Supreme Court of the Commonwealth interpreting the same. Notwithstanding the termination of the Loan Agreement, the Borrower agrees that it will continue to comply with the restriction stated in the preceding sentence on the sectarian use of the Project Facilities. To the extent required by law, the Borrower will permit the Authority to inspect the Project Facilities solely in order to determine whether the Borrower has complied with the provisions of this paragraph and such right of inspection shall survive the termination of the Loan Agreement.

The Borrower further agrees that it will not use the Project Facilities, or permit the Project Facilities to be used, in such manner as would result in the loss of any exemption from federal income taxation to which interest on the Bonds would otherwise be entitled.

Events of Default

Each of the following shall constitute an Event of Default under the Loan Agreement:

(a) if the Borrower fails to make any payments required under the Loan Agreement with respect to the principal or redemption price of and interest on the Bonds when the same shall become due and payable thereunder; or

(b) if the Borrower fails to make any other payment or deposit required under the Loan Agreement within thirty (30) days of the due date thereof; or

(c) if the Borrower fails to perform any of its other covenants, conditions or provisions under the Loan Agreement and such failure continues for thirty (30) days after the Authority or the Trustee gives the Borrower written notice thereof; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such thirty (30) day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as, the Borrower shall commence such performance within such thirty (30) day period and shall diligently and continuously prosecute the same to completion; or

(d) if the Borrower admits in writing its inability to pay its debts generally as they become due, or proposes or makes an assignment for the benefit of creditors or a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the Borrower or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangements of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the Borrower and if such is not vacated, dismissed or stayed on appeal within sixty (60) days; or

(e) if for any reason any of the Bonds shall be declared due and payable by acceleration in accordance with the terms of the Indenture; or

(f) if the Borrower shall default in the payment of any indebtedness (other than amounts due under the Loan Agreement) with a principal amount in excess of $1,000,000, and any period of grace with respect thereto shall have expired; or

(g) the occurrence of any default with respect to Parity Indebtedness subject to the Intercreditor Agreement as a result of which such Parity Indebtedness is declared immediately due and payable.

Remedies

If acceleration of the principal amount of the Bonds has been declared pursuant to the Indenture, the Trustee shall declare all loan payments to be immediately due and payable, whereupon the same shall become immediately due and payable. In addition, if an Event of Default under the Loan Agreement has occurred and is continuing, the Authority (or the Trustee as its assignee) may, at its option, in addition to its other rights and remedies as may be provided in the Loan Agreement or may exist at the time at law or in equity, exercise any one or more of the following remedies:

> (a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Authority, and require the Borrower to carry out any agreements with or for the benefit of the Bondholders and to perform its duties under the Act or the Loan Agreement; or
>
> (b) by action or suit in equity require the Borrower to account as if it were the trustee of an express trust for the Authority; or
>
> (c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Authority; or
>
> (d) upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and the Bondholders, have appointed a receiver or receivers of the Trust Estate, with such powers as the court making such appointment shall confer; or
>
> (e) upon notice to the Borrower, accelerate the due dates of all sums due or to become due under the Loan Agreement.

In order to entitle the Authority or the Trustee to exercise any remedy reserved to it in Loan Agreement concerning Events of Default and remedies, it shall not be necessary to give any notice, other than such notice as may be therein expressly required. Such rights and remedies as are given the Authority thereunder shall also extend to the Trustee. For so long as any Bonds remain Outstanding under the Indenture, and except with respect to the Borrower's obligations in respect of the Authority's rights to notices, payments of fees and expenses and indemnification rights and the Borrower's obligations to comply with the Act, the Trustee, as the assignee of the Authority, shall have the sole right to exercise rights and remedies against the Borrower upon the occurrence of any Event of Default under the Loan Agreement, and the exercise by the Trustee of such rights and remedies shall be subject to all applicable provisions of the Indenture, the Loan Agreement and the Act. To the extent necessary or appropriate and requested by the Trustee, the Authority shall cooperate with the Trustee in connection with the exercise by the Trustee of such rights and remedies against the Borrower.

Amendments

The Authority and the Borrower may enter into any amendments and supplements to the Loan Agreement without the consent of Bondholders, but with prior notice to the Trustee, for the following purposes:

(a) To cure any ambiguity, inconsistency, defect or omission in the Loan Agreement or in any amendment thereto;

(b) To modify, eliminate or add to the provisions of the Loan Agreement to such extent as shall be necessary to obtain, maintain or improve a rating of the Bonds;

(c) To add covenants of the Borrower or surrender rights or powers of the Borrower;

(d) To make such additions, deletions or modifications as may be necessary in the case of any Bonds to assure compliance with Section 148(f) of the Code relating to the required rebate of certain investment earnings to the United States government or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bonds; or

(e) In connection with any other change in the Loan Agreement if in the judgment of the Trustee in reliance on an opinion of Counsel (which may be Bond Counsel), the proposed change does not materially adversely affect the rights of the Holders of any Bonds.

Except for amendments, changes or modifications as provided in clauses (a) through (e) above, neither the Authority nor the Trustee shall consent to any amendment, change or modification of the Loan Agreement or waive any obligation or duty of the Borrower under the Loan Agreement without the written consent of the holders of not less than a majority in aggregate principal amount of the Outstanding Bonds affected thereby; provided, however, that no such waiver, amendment, change or modification shall permit termination or cancellation of the Loan Agreement or any reduction of the amounts payable under the Loan Agreement with respect to debt service on the Bonds or change the date when such payments are due without the consent of the Holders of all the Bonds then Outstanding who are adversely affected thereby. Prior to consenting to an amendment, change or modification of the Loan Agreement, the Trustee is entitled to receive and rely upon an opinion of Counsel to the effect that such amendment, change or modification is authorized or permitted under the Loan Agreement, complies with the terms thereof, and shall not adversely affect the exclusion of interest from the gross income of the Holders of the Bonds for federal income tax purposes.

Assignment

The Borrower will not assign the Loan Agreement or any interest of the Borrower therein, either in whole or in part, without the prior written consent of the Trustee, which consent shall be given if the following conditions are fulfilled: (i) the assignee assumes in writing all of the obligations of the Borrower under the Loan Agreement; (ii) in the opinion of Borrower's counsel, neither the validity nor the enforceability of the Loan Agreement will be adversely affected by such assignment; (iii) the Project shall continue in the opinion of Bond Counsel to be a "project" as such term is defined in the Act after such assignment; (iv) such assignment will not, in the opinion of Bond Counsel, have an adverse effect on the exclusion from gross income for federal income tax purposes of interest on the Bonds; and (v) consent by the Authority, which consent shall not be unreasonably withheld.

THE INDENTURE

The following description of certain provisions of the Indenture is only a brief outline of some of the provisions thereof, and does not purport to summarize or describe all of the provisions thereof. Reference is made to the Indenture, a copy of which is on file at the corporate trust office of the Trustee in Philadelphia, Pennsylvania, for a complete statement of these provisions and other provisions which are not summarized in this Official Statement.

Pledge of Trust Estate

In order to secure the payment of the principal of, premium, if any, on and interest on the Bonds and the performance of the Authority's covenants in respect of the Bonds, the Authority assigns and pledges to the Trustee pursuant to the Indenture:

(i) all right, title and interest (but not the obligations) of the Authority under and pursuant to the terms of the Loan Agreement, all Loan Payments and all other payments, revenues and receipts receivable by the Authority thereunder (except for the "Unassigned Rights" as defined in the Loan Agreement); and

(ii) all of the right, title and interest of the Authority in and to all funds (other than the Rebate Fund) and accounts established under the Indenture and all moneys and investments now or hereafter held therein and all present and future Revenues (as defined in the Indenture).

Bond Fund

A Bond Fund will be established and maintained with the Trustee under the Indenture. Moneys in the Bond Fund will be used to pay (i) the principal or redemption price of Bonds as they mature or become due, upon redemption or acceleration, or otherwise upon surrender thereof, and (ii) the interest on Bonds as it becomes payable whether at maturity, upon redemption or acceleration or otherwise.

Investments

Any moneys held as a part of the Funds established under the Indenture shall be invested by the Trustee in Permitted Investments as provided in the Indenture. Any such investments shall mature or be subject to redemption by the holder at not less than the principal amount thereof, and all deposits in time accounts shall be subject to withdrawal without penalty, not later than the date when the amounts will foreseeably be needed for purposes of the Indenture.

Events of Default and Remedies

The Indenture provides that each of the following shall be an "Event of Default":

(a) Failure to pay the principal or redemption price of any Bond when due and payable, whether at the stated maturity thereof, by redemption, by acceleration or otherwise;

(b) Failure to pay any interest on any Bond when due and payable;

(c) Failure by the Authority to comply with the provisions of the Act relating to the Bonds or the Project or to perform or observe any other covenant, agreement or obligation on its part to be observed or performed contained in the Indenture or the Bonds, which failure shall have continued for a period of 60 days after written notice has been given by registered or certified mail to the Authority and the Borrower as provided in the Indenture, which notice may be given by the Trustee in its discretion and which notice must be given by the Trustee at the written request of the Holders of not less than 25% in aggregate principal amount of Bonds Outstanding; or

(d) The occurrence and continuance of an "Event of Default" as defined in the Loan Agreement (see "THE LOAN AGREEMENT – "Events of Default" herein).

The Indenture provides that if an Event of Default occurs, the Trustee may and shall upon the written request of the Owners of 25% in principal amount of all Bonds then Outstanding (100% in principal amount of all Bonds then outstanding in the case of an Event of Default described in clause (c) above), declare the principal of all Bonds then Outstanding to be immediately due and payable and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable to the Owners. Upon any declaration of acceleration under the Indenture, the Trustee shall immediately exercise such rights as it may have as the assignee of the Loan Agreement to declare all payments under the Loan Agreement to be due and payable immediately.

Within five calendar days of the occurrence of any such acceleration, the Bond Registrar shall notify, by first class mail, postage prepaid, the owners of all Bonds then outstanding of the occurrence of such acceleration, the date through which interest has accrued and the time and place of payment.

In addition, upon the occurrence and continuation of an Event of Default under the Indenture, subject to the provisions of the Intercreditor Agreement, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of principal or redemption price of and interest on the Bonds.

The provisions described above are subject to the condition that if, after the principal of all Bonds has been so declared to be due and payable, all arrears of interest on the Bonds (and interest on overdue interest at the rate in accordance with the Indenture) are paid by the Authority, and the Authority performs all other things in respect to which it may have been in default under the Indenture and pays the reasonable charges and expenses of the Trustee and of the Owners of the Bonds and any trustee appointed under the Act, including reasonable attorneys' fees, costs and expenses, then Owners of a majority in principal amount of the Bonds then outstanding, by notice to the Authority, the Trustee and the Program Sponsor, may annul such declaration and its consequences.

The Owners of a majority in principal of the Bonds then Outstanding will have the right, after furnishing indemnity satisfactory to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture, except that such direction may not (i) be in conflict with any rule of law and of the Indenture, (ii) unduly prejudice the rights of minority Owners or (iii) involve the Trustee in personal liability against which indemnity would not be satisfactory.

No Bondholder shall have any right to pursue any remedy under the Indenture or the Loan Agreement unless:

(a) The Trustee shall have been given written notice of an Event of Default,

(b) The Holders of at least 25% in principal amount of all Bonds then Outstanding shall have requested the Trustee, in writing, to exercise the powers granted in the Indenture or to pursue such remedy in its or their name or names,

(c) The Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and

(d) The Trustee shall have failed to comply with such request within a reasonable time.

Notwithstanding the foregoing provisions or any other provision of the Indenture, the obligation of the Authority shall be absolute and unconditional to pay or cause to be paid, but solely from the revenues and other funds pledged under the Indenture, the principal or redemption price of and interest on, the Bonds to the respective Holders thereof on the respective due dates thereof, and nothing in the Indenture shall affect or impair the right of action, which is absolute and unconditional, of such holders to enforce such payment.

Modifications and Amendments

The Indenture provides that it may be amended or supplemented at any time without notice to or the consent of any of the Owners of the Bonds, by a supplemental indenture consented to by the Borrower, authorized by the Authority and filed with the Trustee for any one or more of the following purposes:

(a) To add additional covenants of the Authority or to surrender any right or power conferred upon the Authority in the Indenture;

(b) For any purpose not inconsistent with the terms of the Indenture or to cure any ambiguity or to correct or supplement any provision of the Indenture or in any supplemental indenture which may be defective or inconsistent with any other provision in the Indenture or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under the Indenture which shall not be inconsistent with the provisions of the Indenture and which shall not adversely affect the interests of the holders of the Bonds, including the appointment and duties of a bond registrar or authenticating agent;

(c) To modify, eliminate or add to the provisions of the Indenture to such extent as shall be necessary to effect the qualification of the Indenture under the Trust Indenture Act of 1939 or under any similar Federal statute hereafter enacted, and to add to the Indenture such other provisions as may be expressly permitted by the Trust Indenture Act of 1939, as from time to time amended;

(d) To modify, eliminate or add to the provisions of the Indenture to such extent as shall be necessary to obtain, maintain or improve a rating of the Bonds;

(e) To grant to or confer or impose upon the Trustee for the benefit of the Owners of the Bonds any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with the Indenture as theretofore in effect;

(f) To permit the Bonds to be converted to, or from, certificateless securities or securities represented by a master certificate held in trust, ownership of which, in either case, is evidenced by book entries on the books of the Securities Depository, for any period of time;

(g) To permit the appointment of a co-trustee under the Indenture;

(h) To authorize different authorized denominations of the Bonds and to make correlative amendments and modifications to the Indenture regarding exchangeability of Bonds of different authorized denominations, redemption of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(i) To modify, alter, supplement or amend the Indenture to comply with changes in the Code affecting the status of interest on the Bonds as excluded from gross income for Federal income tax purposes or the obligations of the Authority or the Borrower in respect of Section 148 of the Code;

(j) To modify, alter, amend or supplement the Indenture in any other respect which is not materially adverse to the Owners of the Bonds.

The Indenture may be amended from time to time, except with respect to (i) the principal or interest payable upon any of the Bonds, (ii) the Interest Payment Dates, the dates of maturity or the redemption provisions of any of the Bonds, and (iii) the provisions relating to amendments of the Indenture and the Loan Agreement, in each case by a supplemental indenture consented to by the Borrower and approved by the Owners of at least a majority in aggregate principal amount of the Bonds then outstanding which would be affected by the action proposed to be taken. The Indenture may be amended with respect to the matters enumerated in clauses (i) through (iii) of the immediately preceding sentence with the unanimous consent of all Owners and the Borrower.

Discharge of Indenture

When interest on, and principal or redemption price (as the case may be) of, all Bonds issued under the Indenture have been paid, or there shall have been deposited with the Trustee (i) cash in an amount sufficient to pay in full the principal or redemption price of and interest on the Bonds, and all other sums payable under the Indenture by the Authority, (ii) "defeasance obligations" (as defined below), the principal of and interest on which, when due, will provide sufficient moneys without reinvestment to pay in full the principal or redemption price of and interest on the Bonds, as well as all other sums payable under the Indenture by the Authority, or (iii) any combination of the foregoing, then upon receipt by the Trustee of (a) all of its necessary and proper fees, compensation and expenses, (b) an opinion of Bond Counsel that all conditions precedent to the defeasance of the lien of the Indenture have been complied with, (c) unless the Bonds will be paid in full within 90 days of the date of deposit of any defeasance obligations, a verification report in form and substance satisfactory to the Trustee from an independent certified public accountant or a nationally recognized firm with experience in preparing verification reports to the effect that the cash and defeasance obligations delivered will be sufficient to provide for the payment of the Bonds as aforesaid, and (d) other assurances from the Authority that the Trustee may deem necessary or appropriate, the right, title and interest of the Trustee in the Loan Agreement and the Trust Estate shall thereupon cease and the Trustee, on the written demand of the Authority, shall release the Loan Agreement and the Trust Estate from the lien and security interest created by the Indenture and shall execute such documents to evidence such release as may be reasonably required by the Authority or the Borrower and shall turn over to the Borrower or to such Person as may be entitled to receive the same, as it shall be directed in writing by the Borrower all balances remaining in any funds (other than the Rebate Fund) under the Indenture and the Trustee's right, title and interest to and under the Loan Agreement. For the purposes of this paragraph, "defeasance obligations" shall mean the following, but only to the extent they are Permitted Investments at the time of delivery to the Trustee: (1) Government Obligations; and (2) pre-refunded debt obligations of any state or political subdivision thereof or any agency or instrumentality of such a state or political subdivision, provided that such debt obligations are rated, at the time of purchase, at least "AA" by S&P or at least "Aa" by Moody's.

The foregoing requirements may also be met with respect to any portion of the Bonds, as designated by the Borrower, by depositing with the Trustee cash, defeasance obligations, or any combination thereof sufficient to pay or provide for the payment of such Bonds, as described in the preceding paragraph. Upon such deposit, the Bonds for which such deposit has been made shall no longer be deemed Outstanding under the Indenture.

The Trustee

The obligations and duties of the Trustee are described in the Indenture and, except upon an Event of Default, the Trustee has undertaken only those obligations and duties which are expressly set out in the Indenture. If any Event of Default of which the Trustee has been notified or is deemed to have notice under the Indenture has occurred and is continuing, the Trustee is obligated to exercise such of the rights and remedies vested in it by the Indenture and to use the same degree of care in its exercise as a prudent person would exercise or use in the circumstances in the conduct of his own affairs; provided that if in the opinion of the Trustee such action may tend to involve expense or liability, it will not be obligated to take such action unless it is furnished with indemnity satisfactory to it.

The Indenture expressly provides that the Trustee will not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Indenture.

Under the terms of the Indenture, the Trustee is liable only for those damages caused by its gross negligence or willful misconduct. Under the terms of the Indenture, the Trustee shall not be deemed to have notice of an Event of Default, other than the failure to pay principal of or interest on the Bonds when due, unless the Trustee has been notified in writing of such events by the Authority or the holders of at least 25% in aggregate principal amount of the Bonds then Outstanding. In the absence of delivery of such notices satisfying these requirements, the Trustee may assume conclusively that there is no such default. The summary of the Trustee's rights, duties, obligations and immunities contained herein is not intended to be a complete summary, and reference must be made to the Indenture for a complete statement of the Trustee's rights, duties, obligations and immunities.

The Trustee may resign and be discharged by written resignation filed with the Authority (and a copy to the Borrower) not less than 30 days prior to the date the resignation is to take effect. Such resignation will take effect only upon the appointment of, and acceptance of such appointment by, a successor trustee. In addition, the Trustee may be removed at any time by an instrument appointing a successor to the Trustee so removed, executed (i) by the Authority at the direction of the Holders of a majority in principal amount of the Bonds then Outstanding, or (ii) so long as no Event of Default has occurred and is continuing, by the Authority or by the Borrower with the written consent of the Authority.

Any successor trustee must be a national banking association or a state bank with trust powers or a bank and trust company having capital and surplus of at least $50,000,000, if there is one able and willing to accept the trust on reasonable and customary terms.

Limitation of Rights; No Personal Recourse.

With the exception of rights conferred expressly in the Indenture, nothing in the Indenture expressed or implied is intended or shall be construed to give to any person other than the parties thereto, the Borrower and the Holders of the Bonds any remedy or claim under or with respect to the Indenture or any covenant, condition or stipulation of the Indenture, and all covenants, stipulations, promises and agreements in the Indenture contained by and on behalf of the Authority will be for the sole and exclusive benefit of the Authority, the Trustee, the Bond Registrar, the Authenticating Agent, the Borrower and the Owners of the Bonds.

The Indenture does not pledge the general credit of the Authority or the general credit or the taxing power of York County, the Commonwealth of Pennsylvania or any political subdivision thereof. The liability of the Authority shall be limited to and payable solely from the sources described herein under "SECURITY AND SOURCES OF PAYMENT FOR BONDS".

No recourse shall be had for any claim based on the Indenture or the Bonds, including but not limited to the payment of the principal or redemption price of, or interest on, the Bonds, against the Authority or any member, officer, agent or employee, past, present or future, of the Authority or of any successor body, as such, either directly or through the Authority or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise. The obligations and liabilities of the Authority arising under the Indenture shall be payable solely from the Revenues. The Program Sponsor shall have no liability under the Indenture, under the Bonds or under the Loan Agreement.

AGGREGATE DEBT SERVICE ON OUTSTANDING BONDS

See Appendix A hereto under the caption "College Indebtedness" for a table showing the debt service (principal and interest only) payable with respect to the Borrower's outstanding bonds (including the Bonds and the Prior Bonds, all of which are secured by a pledge of Pledged Revenues) and the aggregate debt service payable for all such bonds for each fiscal year of the Borrower.

BONDHOLDERS' RISKS

The Bonds are limited obligations of the Authority and are payable solely from payments made pursuant to the Loan Agreement. **No representation or assurance can be given to the effect that the Borrower will generate sufficient revenues to meet the Borrower's payment obligations under the Loan Agreement.**

Future legislation, regulatory actions, economic conditions, changes in private philanthropy, changes in the number of students in attendance at the Borrower, competition or other factors could adversely affect the Borrower's ability to generate revenues. Neither the Underwriter nor the Authority has made any independent investigation of the extent to which any of these factors could have an adverse impact on the revenues of the Borrower.

General

The Bonds are limited obligations of the Authority and are payable solely from payments made pursuant to the Loan Agreement and from certain funds held by the Trustee under the Indenture. No representation or assurance can be given that the Borrower will generate sufficient revenues to meet the Borrower's payment obligations under the Loan Agreement. Future legislation, regulatory actions, economic conditions, changes in the number of students in attendance at the Borrower, or other factors could adversely affect the Borrower's ability to generate such revenues. Neither the Underwriter nor the Authority has made any independent investigation of the extent to which any such factors will have an adverse impact on the revenues of the Borrower.

Security Interest in Pledged Revenues

To the extent that a security interest can be perfected in the Pledged Revenues of the Borrower by filing of financing statements, such action will be taken. The security interest in the Pledged Revenues of the Borrower may not be enforceable against third parties unless such Pledged Revenues of the Borrower are actually transferred to the Trustee or are subject to exceptions under the Uniform Commercial Code (the "UCC") as enacted in the Commonwealth of Pennsylvania. Under current law, such security interest may be further limited by the following: (1) statutory liens; (2) rights arising in favor of the United States of America or any agency thereof; (3) present or future prohibitions against assignment contained in any Commonwealth of Pennsylvania or Federal statutes or regulations; (4) constructive trusts, equitable liens or other rights impressed or conferred by any Commonwealth of Pennsylvania or Federal court in the exercise of its equitable jurisdiction; (5) Federal bankruptcy laws; and (6) the filing of appropriate continuation statements pursuant to UCC provisions as from time to time in effect.

Reliance on Student Tuition, Fees and Other Charges

The adequacy of the Borrower's revenues will largely depend on the amount of future tuition and other student derived revenue the Borrower receives. Such revenue in turn will depend primarily on the Borrower's ability to charge sufficient rates for tuition, student fees and student charges and to maintain enrollment levels. Future enrollment levels will depend on the number of students applying to the Borrower and accepting offers of admission. A number of factors, including, without limitation, levels of tuition rates and other fees, competition from other colleges and universities, a change in the number of college age students and changing general economic conditions will influence the number of applicants to the Borrower.

Competition

Competition among institutions of higher education is intense nationally and within the region from which the Borrower draws the majority of its students. Universities and colleges compete principally based on location, tuition rates, degree offerings, and academic reputation. To the extent that competitors have or achieve an advantage with respect to any of these factors, the Borrower could be adversely affected. In addition, competitive pressures could result in tuition reductions or the inability to raise tuition, which could adversely affect the change in the Borrower's unrestricted net assets.

Fluctuations in Market Value of Investments

Earnings on investments have historically provided the Borrower an important source of cash flow and capital appreciation to support its programs and services, to finance capital expenditure investments and to build cash reserves. Historically the value of both debt and equity securities has fluctuated and, in some instances, the fluctuations have been quite significant. Diversification of securities holdings may diminish the impact of these fluctuations. However, no assurances can be given that the market value of the investments of the Borrower will grow, or even remain at current levels and there is no assurance that such market value will not decline.

Covenant to Maintain Tax-Exempt Status of the Bonds

The tax-exempt status of the Bonds is based on the continued compliance by the Authority and the Borrower with certain covenants contained in the Indenture, the Loan Agreement and the other documents executed by the

Authority, the Borrower and the Trustee. These covenants relate generally to restrictions on use of facilities financed with proceeds of the Bonds, arbitrage limitations, rebate of certain excess investment earnings to the federal government and restrictions on the amount of issuance costs financed with the proceeds of the Bonds. Failure by the Authority and/or the Borrower to comply with such covenants could cause interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance of the Bonds.

Enforceability of Remedies

The remedies available to Bondholders upon an Event of Default under the Indenture or the Loan Agreement are in many respects dependent upon judicial action, which is subject to discretion or delay. Under existing law and judicial decisions, including specifically the Bankruptcy Code, the remedies specified in the Indenture and the Loan Agreement may not be readily available or may be limited. A court may decide not to order specific performance.

The various legal opinions to be delivered concurrently with the original delivery of the Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws or legal or equitable principles affecting creditors' rights.

Local Tax Assessment

In recent years, a number of local taxing authorities in the Commonwealth have sought to subject the facilities of non-profit healthcare and other traditionally exempt organizations to local real estate and business privilege taxes, primarily by challenging their status as "institutions of purely public charity" as described in the Pennsylvania Constitution, notwithstanding the fact that Pennsylvania nonprofit facilities historically have been viewed as exempt from such taxes. The Pennsylvania constitutional test is very subjective and frequently difficult to satisfy. Pennsylvania court decisions have been highly fact-specific and do not provide clear overall guidance on the question. In addition, the Pennsylvania law sets forth additional standards that must be satisfied for tax exemption. Therefore, there is no assurance that under current Pennsylvania law, the Borrower will remain exempt from real estate and other local taxes.

State and Federal Legislation

Legislation has been proposed in the past, and may be proposed again in the future, affecting tax-exempt bonds, including legislation that could eliminate the tax-exempt status of bonds issued to finance educational facilities or limit the use of tax-exempt bonds, or prevent certain holders of tax-exempt bonds from realizing the full benefit of the tax exemption of interest on such bonds. For example, the federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax (for taxable years beginning after December 31, 2017) and eliminated tax-exempt advance refunding bonds, among other things. Any such limitation on the use of tax-exempt bonds to finance educational facilities or generally could reduce the ability of the Borrower to finance its future capital needs. Additionally, investors in the Bonds should be aware that future legislative actions may increase, reduce or otherwise change the financial benefits and the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In such events, the market value of the Bonds may be affected and the ability of holders to sell their Bonds in the secondary market may be reduced. The effect on the Borrower of proposed laws and regulations and of future changes in federal and state laws and policies cannot be fully or accurately determined at this time.

Cybersecurity Risk

In the course of its operations, the Borrower collects and stores personally identifiable information, including, but not limited to, social security numbers, educational records and financial information. The Borrower also develops, maintains and/or stores, as applicable, intellectual property such as research data.

Like all institutions of higher education, the Borrower could be subject to cyber intrusion through hacking, malware and/or email scams. Cyber intrusion could lead to (i) data breaches requiring breach notification, (ii) denial of service (e.g., network, system, application or data), (iii) loss of intellectual property and data, (iv) harm to the Borrower's brand or reputation, (v) life/health safety impacts and/or (vi) financial loss. The Borrower takes steps to prevent, detect and respond to cyber intrusion. Further, the Borrower maintains cyber insurance coverage to protect against data breaches and other cyber events. However, because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently or may be disguised or difficult to detect, or designed to remain dormant until a triggered event, the Borrower may be unable to anticipate these techniques or implement adequate preventative measures. In addition, no assurance can be given that the insurance coverages maintained by the Borrower would be sufficient to cover all losses and liability resulting from data breaches or other cyber events.

COVID-19 Related Matters

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "COVID-19 Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and the Commonwealth of Pennsylvania. On March 13, 2020, the President of the United States declared the outbreak of COVID-19 Pandemic in the United States a national emergency. Pennsylvania Governor Tom Wolf ordered all non-life-sustaining businesses in Pennsylvania to close their physical locations as of March 19, 2020 to slow the spread of COVID-19. Thereafter, the Governor issued a Stay at Home order, initially effective for certain Pennsylvania counties and later expanding it to cover the entire Commonwealth. The Governor's orders have been modified on a regional basis, using a color-coded system. On November 23, 2020 and December 10, 2020, the Governor and Secretary of Health announced new targeted mitigation measures to help stop the spread of COVID-19. The new measures include revamped school safety attestation, targeted business and gathering restrictions, and a new enforcement plan that includes liability protection for businesses enforcing the Secretary of Health's strengthened mask-wearing order. The administration is also advising all Pennsylvanians to limit unnecessary travel and keep gatherings held in homes to members of the same household.

The COVID-19 Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. There can be no assurances regarding the extent to which the COVID-19 Pandemic will impact the national and Commonwealth economies and, accordingly, how it may adversely impact the finances and operations of the Borrower. While any impact of the COVID-19 Pandemic on colleges and universities is currently uncertain, the Borrower is monitoring the situation and will address such impact as necessary.

Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on Commonwealth websites, including but not limited to the Governor's office (http://www.pa.gov/), the Pennsylvania Department of Health (http://www.health.pa.gov/). *The Borrower has not incorporated by reference the information on such websites and the Borrower does not assume any responsibility for the accuracy of the information on such websites.*

For further discussion see "COVID-19 Matters" in Appendix A.

Other Risk Factors

In the future, the following factors, among others, may adversely affect the operations of the Borrower to an extent that cannot be determined at this time:

(1) Loss of accreditation for the Borrower or key academic programs, or changes in accreditation standards which could adversely affect the Borrower's ability to maintain accreditation for itself or key academic programs.

(2) Employee strikes and other adverse labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs.

(3) Litigation resulting in required payments by the Borrower which exceed insurance coverages.

(4) Increased costs and decreased availability of public liability or other types of insurance.

(5) Changes in the demand for higher education in general or for programs offered by the Borrower in particular.

(6) Cost and availability of energy.

(7) High interest rates, which could strain cash flow or prevent borrowing for needed capital expenditures.

(8) A decrease in student loan funds or other aid that permits many students the opportunity to pursue higher education.

(9) An increase in the costs of health care benefits, retirement plans, or other benefit packages offered by the Borrower to its employees.

(10) Higher interest rates, which could strain cash flow or prevent borrowing for needed capital expenditures.

(11) A downgrade in the Borrower's bond rating or rating outlook to a level which prevents the Borrower from being able to borrow at affordable rates in the future.

(12) Withdrawal of any current exemptions from local real estate taxes, business privilege taxes and similar impositions.

(13) Losses in investments held by the Borrower.

(14) Reduced future Borrower revenues as a result of a need to increase tuition discounting to attract students.

(15) Increased competition from other institutions of higher learning which may offer similar academic programs or may recruit similar students, and that may result in reduced enrollments and reduced Borrower revenues.

(16) Reduced ability to attract future annual or capital campaign contributions, that may limit future projects and/or the ability to address deferred maintenance.

(17) Reduced availability of qualified faculty to teach the programs offered by the Borrower.

(18) Legislation and regulation by governmental authorities, including developments affecting tax-exempt status of educational institutions like the Borrower and changes in immigration laws limiting the Borrower's ability to admit foreign students or hire foreign faculty and administrators.

(19) Natural disasters or effects of any climate change which might damage the Borrower's facilities, interrupt service to its facilities or otherwise impair the operation of the Borrower's facilities.

(20) An inability to retain students, resulting in enrollment losses and reduced revenues, which may be due to reduced financial aid available to students from the Borrower or from Federal or state sources.

(21) Future deficits as a result of increased future expenses.

NO PERSONAL RECOURSE

No covenant or agreement contained in the Indenture, the Bonds or the Loan Agreement shall be deemed to be the covenant or agreement of any member, director, officer, attorney, agent or employee of the Borrower, the Authority or the Program Sponsor in an individual capacity. No recourse shall be had for the payment of any claim based thereon against any member, director, officer, agent, attorney or employee of the Borrower, the Authority or the Program Sponsor past, present or future, or their successors or assigns, as such, either directly or through the Borrower, the Authority or the Program Sponsor, or any successor corporations, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise.

LITIGATION

As of the date hereof, there is no litigation of any nature pending or, to the Authority's knowledge, as to the Authority, or the Borrower's knowledge, threatened against the Authority or the Borrower to restrain or enjoin the issuance, sale, execution or delivery of the Bonds or the application of the proceeds thereof as herein described, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Authority taken with respect to the issuance or sale thereof, the pledge or application of any monies or security for the Bonds or the existence or powers of the Authority.

As of the date hereof, to the knowledge of the Borrower, there is no litigation pending or threatened against the Borrower wherein an unfavorable decision would adversely affect the ability of the Borrower to carry out its obligations under the Indenture or the Loan Agreement, or would have a material adverse impact on the financial position or operations of the Borrower.

CONTINUING DISCLOSURE

On or before the date of issuance of the Bonds, the Borrower will execute and deliver a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") in substantially the form set forth in Appendix C hereto. Pursuant to the Continuing Disclosure Certificate, the Borrower will agree to provide certain continuing disclosure for the benefit of the holders of the Bonds pursuant to Securities and Exchange Commission Rule 15c2-12 (the "Rule"). The provisions of the Continuing Disclosure Certificate will be for the benefit of the beneficial owners of the Bonds under the circumstances described therein, and each beneficial owner will be a beneficiary of the provisions of the Continuing Disclosure Certificate with the right to enforce such provisions directly against the Borrower. However, breach of the provisions of the Continuing Disclosure Certificate will not be considered an Event of Default under the Indenture or the Loan Agreement and none of the rights and remedies provided under the Indenture or the Loan Agreement upon an Event of Default (other than specific performance) will be available to the beneficial owners in the event of such breach. Unless otherwise required by law, no beneficial owner is entitled to damages for the Borrower's noncompliance with its obligations under the Continuing Disclosure Certificate.

The Borrower has made similar undertakings in the past (the "Prior Continuing Disclosure Undertakings") in connection with other series of bonds previously issued for the benefit of the Borrower. While the Borrower made timely annual filings of audited financial statements and operating data in accordance with the Rule and the Prior Continuing Disclosure Undertakings during the five years preceding the date of this Official Statement, certain operating data items were not filed in fiscal year 2016 for bonds that are no longer outstanding.

TAX MATTERS

Federal Tax Exemption

In the opinion of Ballard Spahr LLP, Bond Counsel, interest on the Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Bonds, assuming the accuracy of the certifications of the Authority and the Borrower and continuing compliance by the Authority and the Borrower with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel expresses no opinion regarding other federal tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

Original Issue Premium. The Bonds of each maturity were offered at a premium ("original issue premium") over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a Bond through reductions in the holder's tax basis for the Bond for determining taxable gain or loss upon sale or redemption prior to maturity. Amortization of premium does not create a deductible expense or loss. Holders should consult their tax advisers for an explanation of the amortization rules.

State Tax Exemption

Interest on the Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax, under the laws of the Commonwealth of Pennsylvania as enacted and construed on the date of initial delivery of the Bonds. Bond Counsel will express no opinion regarding other state or local tax consequences arising with respect to the Bonds, including whether interest on the Bonds is exempt from taxation under the laws of any jurisdiction other than the Commonwealth of Pennsylvania.

General

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

The foregoing is only a general summary of certain provisions of the Code as enacted and in effect on the date hereof and does not purport to be complete; holders of the Bonds should consult their own tax advisors as to the effects, if any, of the Code in their particular circumstances.

See APPENDIX D hereto for the proposed Form of Bond Counsel Opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approval of Ballard Spahr LLP, Philadelphia, Pennsylvania, Bond Counsel. A signed copy of their opinion, dated and premised on facts existing and law in effect as of the date of original issuance and delivery of the Bonds, will be delivered to the Trustee at the time of such original issuance.

Certain legal matters will be passed upon by Stock and Leader, LLP, York, Pennsylvania, as counsel to the Authority; by Barley Snyder, LLP, York, Pennsylvania, as counsel to the Borrower; and by Eckert Seamans Cherin & Mellott, LLC, Pittsburgh, Pennsylvania, as counsel to the Underwriter.

RATING

S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P" or the "Rating Service"), has assigned its municipal bond rating of "A-" to the Bonds, accompanied by a Stable Outlook, based on the creditworthiness of the Borrower.

Certain information and materials not included in this Official Statement was furnished to S&P. Generally, such Rating Service bases its ratings on information and materials so furnished and on investigations, studies and assumptions by such Rating Service. The rating and outlook assigned to the Bonds reflects only the views of such Rating Service at the time such rating was issued, and an explanation of the significance of such rating and outlook may be obtained only from such Rating Service. Such rating and outlook are not a recommendation to buy, sell or hold the Bonds. There is no assurance that any such rating or outlook will continue for any given period of time or that they will not be lowered or withdrawn entirely by such Rating Service if, in its judgment, circumstances so warrant. Any such downward revision of such rating or outlook or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at an aggregate purchase price of $12,691,468.05 (which includes a net original issue premium of $2,030,043.05). The purchase contract by and among the Underwriter, the Authority and the Borrower (the "Purchase Contract") provides that the Underwriter will purchase all of the Bonds, if any Bonds are purchased, and contains the agreement of the Borrower to indemnify the Underwriter and the Authority against losses, claims, damages and liabilities to third parties arising out of any materially incorrect or incomplete statements of information contained in this Official Statement pertaining to the Borrower or the Project.

INDEPENDENT AUDITORS

The financial statements as of June 30, 2020 and for the fiscal year then ended, included in Appendix B, have been audited by Baker Tilly US LLP, independent certified public accountants, as stated in their report appearing therein. The June 30, 2020 financial statements included in Appendix B contain comparative data related to the fiscal year ended June 30, 2019. The Borrower's June 30, 2019 financial statements were audited by another accounting firm.

CERTAIN RELATIONSHIPS

Stifel, Nicolaus & Company, Incorporated is also the remarketing agent for the 2014 T4 Bonds, the Series 2020 W1 Bonds and Series 2020 W2 Bonds.

OTHER MATTERS

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The offering of the Bonds is made only by means of this entire Official Statement. The Appendices are integral parts of this Official Statement and should be read in their entirety together with the other sections of this Official Statement.

The foregoing references to and summaries or descriptions of provisions of the Bonds, the Project, the Loan Agreement and the Indenture, and all references to other materials not stated to be quoted in full, are only brief outlines of some of the provisions thereof and do not purport to summarize or describe all of the provisions thereof. Copies of the Loan Agreement and the Indenture may be obtained from the Underwriter as set forth herein under "INTRODUCTORY STATEMENT."

The information set forth in this Official Statement, and in the Appendices hereto, should not be construed as representing all of the conditions affecting the Authority, the Borrower, or the Bonds.

Statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as such and not as representations of facts. All projections, estimates and other statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," "assumes" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties which could affect the financial condition and results of operations of the Borrower include, among other things, changes in economic conditions and various other events, conditions and circumstances, many of which are beyond the control of the Borrower. Such forward-looking statements speak only as of the date of this Official Statement. The Borrower disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the Borrower's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

The distribution of this Official Statement has been duly authorized by the Authority and the Borrower. The Authority has not assisted in the preparation of this Official Statement, except for the statements pertaining to the Authority under the captions "THE AUTHORITY" and "LITIGATION" herein and, except as aforesaid, the Authority is not responsible for any statements made in this Official Statement. Except for the execution and delivery of documents required to effect the issuance of the Bonds, the Authority has not otherwise assisted in the public offer, sale or distribution of the Bonds. Accordingly, except as aforesaid, the Authority assumes no responsibility for the disclosures set forth in this Official Statement.

GENERAL AUTHORITY OF
SOUTHCENTRAL PENNSYLVANIA

By: /s/ Oliver W. Hoar
Chairman

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APPENDIX A

INFORMATION CONCERNING YORK COLLEGE OF PENNSYLVANIA

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APPENDIX A

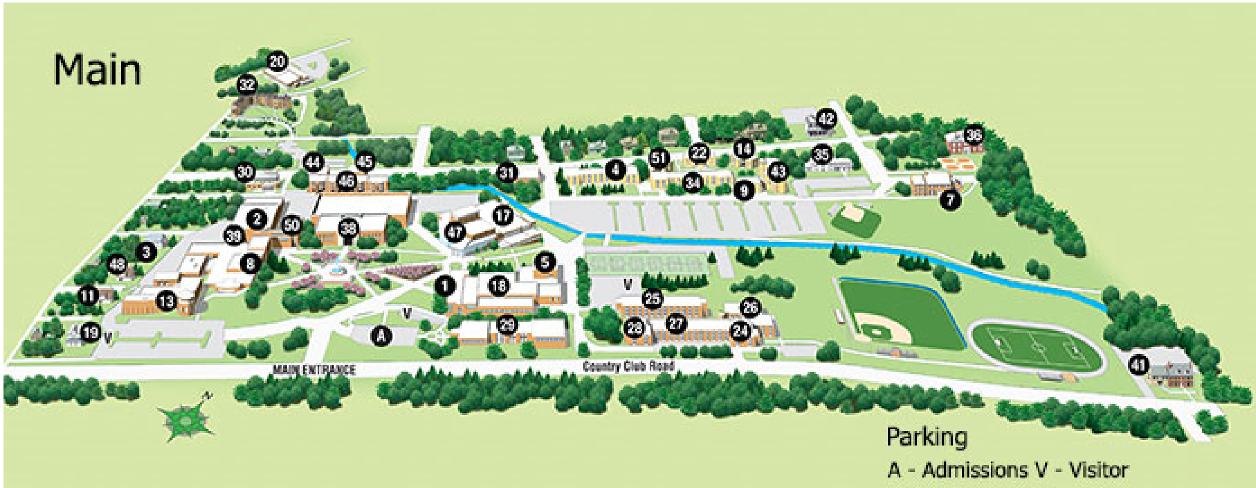
YORK COLLEGE OF PENNSYLVANIA

Introduction and History

York College of Pennsylvania (the "College") traces its founding back to 1787 when it was known as York County Academy. The Reverend John Andrews of St. John's Episcopal Church played a leading role in the Academy's establishment. In 1929, the institution merged with the York Collegiate Institute, a non-denominational sister institution which had been founded in 1873 by Samuel Small. In 1941, the trustees agreed to amend the institution's charter to provide for a two-year liberal arts program and adopted the name York Junior College. In 1965, the College moved to its current location in suburban York, which provided more space for academic programs. In 1968, the curriculum grew to a full bachelor's degree program and the institution's name was changed to York College of Pennsylvania. Today, the College offers bachelor, master, and doctorate level courses.

Location and Facilities

Facilities are found on Main Campus and West Campus, both located along Country Club Road in York, Pennsylvania. Maps of the College's Main Campus & West Campus are shown below.



#1 Admissions Welcome Center - Located in the Iosue Student Union Building.

#2 Appell Life Sciences Building - Features updated laboratory spaces, multiple specialty spaces (tissue culture suite, microscopy lab, and walk-in cold room), research and preparation spaces, and student and faculty conference rooms for the departments of Biological Sciences, Behavioral Sciences and Education.

#3, #11, #19, #31, #42, #48 - Several small residences on the border of campus that house student organizations, typically sororities.

#4, #6, #9, #10, #14, #22-#28, #32, #34-#35, #37, #40-#41, #43-46, #51 Residence Halls - Over the past 10 years, the College has made significant investments in and expanded its student residences on both the Main and West campuses.

Richland Hall

Little Run Lodge Housing

#5 College Bookstore - Located in the Iosue Student Union Building.

#7 Brougher Chapel - As the College is a non-denominational institution, the chapel contains space for various religious activities. Students may participate in several organizations, which include the York College Catholic Newman Club; the Christian Fellowship Organization, Inter-Varsity Christian Fellowship; a Hillel organization and the Gordon Center for Jewish Student Life; and the York College chapter of Habitat for Humanity, a non-denominational Christian ministry.

Brougher Chapel

#8 Campbell Hall - Home to Student Success, which includes Academic Advising and the Career Development Center. Campbell also includes state-of-the-art chemistry instrumentation to support majors in Chemistry, Forensic Chemistry and Pre-Med.

#12 Diehl Hall - The Nursing Education Center in Diehl Hall includes five state-of-the-art learning laboratories that replicate actual clinical settings: a basic nursing care lab, an adult health lab (critical care and chronic care), a maternal/ pediatric care lab, a home care lab, and a communication/mental health lab. The media center and computer laboratory provide opportunities for learning via computer-assisted programs and films.

Diehl Hall

#13 Evelyn and Earle Wolf Hall - Includes three art studios, a photography facility, and York College Galleries; rehearsal and practice rooms, multi-track recording studio and mixing control room, music library, and DeMeester Recital Hall; and edit suites, studios, and two state-of-the-art video production facilities coordinated by a high-tech computer assisted control room.

Evelyn and Earle Wolf Hall
(named in honor of the grandparents of current Governor of Pennsylvania, Tom Wolf)

#15 Grantley Hall - Home to the Division of College Advancement (Communications, Development, Alumni Relations), the Office of Community Education, and the Spartan student newspaper.

#16 Grumbacher Sport and Fitness Center - Includes a three-court field house, state-of-the-art strength and fitness center, 12-recreational-lane natatorium, three-lane elevated jogging track, two-story climbing wall, classroom space, racquetball court, multi-purpose rooms, café, and the Charles Wolf Gymnasium. The Center has two artificially surfaced and two natural grass playing fields outside and an all-weather running track complete with throwing circles and jumping pits.

Grumbacher Sport and Fitness Center

#17 Humanities Center - Features classrooms, an oral history lab and museum studies room, film study labs and a film screening room, computer labs, faculty offices, the Center for Teaching and Learning, and Pura Vida Café.

#18 Iosue Student Union Building - Houses the Johnson Dining Hall, Spart's Den, the Bookstore, WVYC (the College radio station), and the Admissions Welcome Center.

#20 Kings Mill Depot - A repurposed manufacturing facility on Main Campus home to campus operations, the print shop and mail services, and the business incubator for the J.D. Brown Center for Entrepreneurship.

#21 Kinsley Engineering Center - Contains state-of-the-art laboratories, equipment, computers, and design facilities including a mechatronics lab, materials science and engineering lab, machine shop and welding lab, thermodynamics and fluid mechanics lab, and CAD lab. The Center features a workspace area and a large common area.

#29 Miller Administration Building - Bearing the name of the College's first president, Miller Administration Building includes the President's Office, Admissions, Academic Affairs, Business Affairs, Campus Operations, Financial Aid Office and Registrar.

#30 Naylor Ecological Sciences Center - Features aquatic and terrestrial laboratories, a large aquaria space, a controlled growth chamber, research spaces, and crowned by five glasshouses.

Naylor Ecological Sciences Building

#33 Nursing Education Center - Nursing classrooms, faculty offices and student spaces adjacent to Diehl Hall.

#36 President's Home – the President's residence, as well as the setting for receptions for visiting artists, lecturers & special guests.

President's Home

#38 Schmidt Library - Provides dynamic group study spaces, quiet study floors, wireless laptops for use in the library, technology-enhanced group study rooms, comfortable lounge areas, wireless network connections including the outdoor courtyard, college archives, and Special Collections.

Schmidt Library

#39 Shipley Education Center - Home of Education department including classrooms, faculty offices and student spaces.

#47 Waldner Performing Arts Center - Features the 700-seat York Collegiate and 125-seat Perko Playpen Theatres. Also includes a scene shop, green room and costume shop.

Waldner Performing Arts Center

#49 West Campus Community Center - A student center with a dining facility, central mailboxes, multipurpose space, TV lounges, game room, and group study rooms.

West Campus Community Center

#50 Willman Business Center - Home of the largest academic department on campus, the Willman Business Center features a tiered auditorium, financial trading and commerce laboratory, smart classrooms, and a glass-enclosed corporate training center.

Willman Business Center

Recently Completed Major Campus Projects

During the 10-year period ended June 30, 2020, the College has invested $144 million in new projects. Of this total, approximately $20 million was borrowed for new projects. The balance was derived from gifts, grants and the College's own unrestricted resources, due to the consistent operating surpluses that the College has produced. Approximately $93 million of the $144 million was contributed from operating surplus cash. Such projects include:

- Fall 2018------ Civil Engineering Center
- Fall 2018------ Gordon Jewish Life Center Renovation
- Fall 2018------ South George Street Commercial Property Acquisition
- Spring 2018--- Colonial Square Shopping Center Acquisition
- Fall 2016------ York Country Day School Expansion and Renovation
- Fall 2013------ Willman Business Center
- Fall 2012------ Diehl Hall (Home of Nursing and Hospitality Management)
- Fall 2011------ Northside Commons Dormitory
- Fall 2011------ Appell Life Sciences Building-Major Renovation
- Spring 2011--- Kings Mill Depot (Home of JD Brown Entrepreneurship Center)
- Fall 2010------ Naylor Ecological Sciences Building

Governance

The College is governed by a Board of Trustees (the "Trustees" or the "Board") which currently numbers 24 active members, not including non-voting emeritus members. The Board elects Trustees for renewable three-year terms. The Trustees meet three times each year and the Executive Committee of the Board meets six times each year in months when the full Board is not meeting. The Board has nine standing Committees: Executive Committee, Finance Committee, Audit Committee, Investment Committee, Advancement Committee, Academic and Faculty Affairs Committee, Student Life Committee, Facilities Committee, and Trusteeship Committee. The College also has two Advisory Councils: Center for Community Engagement ("CCE") Advisory Council and York Country Day School ("YCDS) Advisory Council. YCDS a private independent pre-Kindergarten through Grade 12 school, is owned and operated by the College.

Board of Trustees

The current members of the College's Board, as well as each member's principal affiliation (and Board office, if applicable) are set forth below:

Accreditations and Approvals

The College is accredited or approved by the following organizations:

- Middle States Commission on Higher Education
- Commission on Collegiate Nursing Education
- National Recreation and Park Association
- Accrediting Council of Business Schools and Programs
- Engineering Accreditation Commission of ABET
- Computing Accreditation Commission of ABET
- Accreditation of Nurse Anesthesia Educational Program
- National Association of Schools of Music
- The Commission on Sport Management Accreditation
- The Pennsylvania Department of Education
- The Pennsylvania State Board of Nursing
- Department of Education for Training Veterans

Memberships

The College is a member of the following organizations:

- American Association of Collegiate Registrars and Admissions Officers
- American College Health Association
- American Council on Education
- American Counseling Association
- American Health Care Association
- Association of American Colleges
- Association of Governing Boards
- Association of Independent Colleges and Universities of Pennsylvania
- College and University Public Relations Association of Pennsylvania
- College Entrance Examination Board
- Commission on Collegiate Nursing Education
- Council for the Advancement and Support of Education
- Council for Higher Education
- Council of Independent Colleges
- National Association of Educational Procurement
- National Association of Independent Colleges and Universities
- National Board of Certified Counselors
- National League for Nursing
- National Recreation and Parks Association
- Pennsylvania Association of Independent Schools
- Pennsylvania Recreation and Park Society

Institutional Accomplishments & Recognition

- Ranked in the top tier of the Best Regional Universities in the North [U.S. News & World Report Best Colleges]. U.S. News also ranked York College as one of the Best Regional Universities in the North for Veterans, Engineering programs, and a Best Value School.
- Best Value ranked York, Pennsylvania as having one of the “most charming college town main streets” in the country.
- Named a 2019-20 College of Distinction for Business, Education, Engineering, Nursing and for all of Pennsylvania.
- Ranked among the top 50 Hospitality and Tourism and Public Relations by Study.com.
- Nursing Schools Almanac lists York College in the top 15 in mid-Atlantic for its nursing program.
- One of the 50 Best Value Colleges for a Nursing Degree by College Factual.
- Best Bachelor's In Sports Administration Degree Programs for 2019 by Value Colleges.
- Recognized as one of the best RN programs in Pennsylvania by RegisteredNursing.org.
- Central Penn Business Journal lists York College's MBA program as one of the best.
- Zippia named York College, a top 10 college for design and visual communication majors in Pennsylvania.
- Phi Theta Kappa Honor Society recognizes York College on the 2019 Transfer Honor Roll.
- RN Careers lists York College as a Best RN Program in Pennsylvania.

Principal Officers

The President and the following senior officers, who comprise her cabinet, administer the College on a day-to-day basis. The Board of Trustees appoints the President, and she serves at their pleasure.

Dr. Pamela Gunter-Smith, Ph.D., ***President.*** Dr. Pamela Gunter-Smith has served as President of York College since July 1, 2013. She was previously the Provost and Academic Vice President of Drew University from 2006-2013. Prior to her appointment at Drew University, she served as the Porter Professor of Physiology at Spelman College from 1992-2006. At Spelman, Gunter-Smith chaired the Biology Department (1992-2002) and was the Associate Provost for Science and Mathematics (2002-2003). She also served as the Program Director for Spelman's NIH-sponsored Center for Biomedical and Behavioral Research (2002-2003) and Spelman's Howard Hughes Medical Institute Program (1993-2002). Dr. Gunter-Smith has also held academic appointments at the George Washington University (Washington, D.C.) and the Uniformed Services University of the Health Sciences (Bethesda, Maryland). For 12 years before joining Spelman (1981-1992), Dr. Gunter-Smith was a research scientist and science administrator at the Armed Forces Radiobiology Research Institute in Bethesda, Maryland. In addition to conducting her own research, she was responsible for aligning the research of three laboratories along institutional priorities and had budgetary responsibility for all project resources.

Dr. Gunter-Smith has served on numerous committees that address science education and the underrepresentation of minorities in science. These include review panels for the National Institutes of Health, the National Science Foundation, and the Howard Hughes Medical Institute. She served on the AP Biology Redesign Commission for the College Board and is a former co-chair of the Porter Physiology Development Committee for the American Physiological Society, the minority affairs committee of the society. More recently, she serves on the Board of Directors of the William Townsend Porter Foundation, the Pennsylvania State Board of Education, the National Association of Independent Colleges and Universities, and the Association of Independent Colleges and University of Pennsylvania.

Dr. Gunter-Smith holds a B.S. in Biology from Spelman College and a Ph.D. in Physiology from Emory University. She conducted postdoctoral studies at the University of Pittsburgh School of Medicine and the University of Texas Health Science Center at Houston. She has published in the areas of gastrointestinal physiology and membrane ion transport and is the recipient of grants to support science education and her research. Dr. Gunter-Smith is also a graduate of the 2001 HERS Summer Institute for Women in Higher Education Administration and during 2003-2004, she was an American Council on Education Fellow at the University of Miami working with the university's president Donna Shalala.

Mr. C. Matthew Smith, ***Vice President, Business Affairs and Chief Financial Officer.*** Mr. Smith joined York College of Pennsylvania in May of 2006. Before joining the College, he was Director of Financial Planning and Accounting for York International Corporation and held several senior executive positions at Glatfelter, a global corporation headquartered in York, Pennsylvania. Mr. Smith received a B.S. from Lehigh University.

Mr. Smith has announced his retirement effective June 30, 2021. The College began its search for Mr. Smith's replacement in November 2020 and plans to make a hire by May 31, 2021. The new hire will also be responsible for Campus Operations.

Dr. Laura Niesen de Abruna, Ph.D., ***Provost and Vice President, Academic Affairs.*** Dr. Niesen de Abruna has nine years of experience as Provost and joined York College of Pennsylvania in July of 2016 after most recently serving as Provost and Vice President of Academic Affairs at Sacred Heart University. Prior relevant experience includes Provost at Roger Williams University, Vice President of Academic Affairs at Heidelberg University and Dean of Art, Humanities and Communications at Susquehanna University. Dr. Niesen de Abruna holds an A.B. in English from Smith College, M.A. and Ph.D. in English from University of North Carolina (Chapel Hill), and an M.S. Ed. from the University of Pennsylvania.

Dr. Dominic F. DelliCarpini, Ph.D., ***Dean, Center for Community Engagement.*** Dr. DelliCarpini joined the faculty of York College of Pennsylvania in 1997 and served in several leadership roles before becoming Dean of Academic Affairs in 2010 and Dean, Center for Community Engagement in 2015. Dr. DelliCarpini, who has served leadership positions with several national academic organizations, received a B.A. degree in English from the University of Pennsylvania and Ph.D. in English from the Pennsylvania State University.

Dr. Danny Green, D.M.A., ***Vice President, Enrollment Management.*** Dr. Green joined York College of Pennsylvania in November of 2016 after leading enrollment management teams at the Sage Colleges and Meredith College. Before Meredith College, Dr. Green worked in the North Carolina public university and community college systems, and also served as Special Assistant to the Executive Vice President at the University of North Carolina, Office of the President. Dr. Green earned both his Bachelor of Music and Doctor of Musical Arts degrees from the University of Miami in Florida. He has also earned his Master of Arts degree in Arts Administration and Choral Music at California State University, Long Beach.

Dr. Green has announced his retirement effective June 30, 2021. The College began its search for Dr. Green's replacement in February 2021 and plans to make a hire by June 30, 2021. Mr. Green has agreed to remain active with the College until his replacement is found.

Dr. Christine Heine, Ph.D., ***Head of School, YCDS.*** Dr. Heine has been an educator for more than thirty years. Earning a doctorate in education, with a specialization in cognition from Columbia University, Dr. Heine has led at premiere northeastern independent schools. She has also been a teacher of Advanced Placement English Literature and Writing and has served as a Director of College Counseling.

Dr. Kenneth M. Martin, Ph.D., ***Vice President, Campus Operations.*** Dr. Martin joined York College in May of 2004. He was previously Vice President of Operations for Messiah College. Dr. Martin received his B.S., M.S., and Ph.D. degrees from Pennsylvania State University.

Effective July 1, 2021, Dr. Martin will be employed in a part-time role with a focus on managing significant capital and space utilization projects of the College. Dr. Martin's other duties will become the responsibility of the incoming Chief Financial Officer.

Troy Miller, ***Vice President, Development.*** Mr. Miller joined the College in July, 2018. He brings over 25 years of experience to his position. Prior to coming to York, Mr. Miller served as Senior Director of Development at Auburn University's Harbert College of Business, Executive Director and Chief Development Officer at the Lock Haven University Foundation, and Director of Individual Giving at Penn State University. Mr. Miller earned his bachelor's degree in English with a concentration in Writing from Temple University and is a Certified Fund Raising Executive.

Academic Programs Profile

The College offers a program of studies which provide degree options in over 50 academic disciplines. Of equal importance, the College requires all students to complete a general education curriculum, which includes courses in English and Communications skills, Mathematics, Laboratory Science, Humanities and Fine Arts, Behavioral and Social Sciences, and American and Global Citizenships.

Undergraduate Programs

Accounting
Advertising and Digital Marketing
Biological Sciences
Business Administration
Business Administration (Associate)
Business Analytics
Chemistry
Civil Engineering
Computer Engineering
Computer Science
Criminal Justice
Cybersecurity Management
Early Elementary Education (PreK-4)
Early Elementary/Special Education
Economics
Electrical Engineering
Engineering Management
Entrepreneurship and Innovation
Film and Media Arts
Finance
Fine Art
Forensic Chemistry
General Business
Graphic Design
History
Hospitality Management
Human Resource Management
Human Services
Information Technology Management
Integrated Marketing Communication
Intelligence Analysis
International Business
International Relations
Leadership and Organizational Dynamics
Literary and Textual Studies
Marketing
Mass Communication
Mathematics
Mechanical Engineering
Medical Humanities
Medical Laboratory Science
Middle Level Education
Middle Level/Special Education
Music
Music Education (K-12)
Music Production and Entrepreneurship
Music, B.S. (Music Industry)
Nuclear Medicine Technology
Nursing
Nursing (RN to BSN)
Philosophy
Philosophy and Business
Political Science
Professional Writing
Psychology
Public History
Public Relations
Radiography
Recreation Leadership
Respiratory Care
Secondary Education/Biology
Secondary Education/English
Secondary Education/General Science
Secondary Education/Mathematics
Secondary Education/Social Studies
Social Enterprise and Not-for-Profit Management
Sociology
Spanish
Spanish Business
Spanish Education (K-12)
Sport Management
Sport Media
Supply Chain Operations Management
Theatre

Graduate Programs

School of the Arts, Communication and Global Studies
Master of Public Policy and Administration M.P.P.A.
Master of Arts in Music Industry Studies M.A.
Theatre Education Endorsement/Certificate

School of Behavioral Sciences and Education
Diversity and Student Resilience M.Ed.
Educational Leadership M.Ed.
Instructional Technology M.Ed.
Reading M.Ed.
Teacher Leader Certificate
Applied Behavior Analysis M.Ed.
Learning Design and Innovation M.Ed.

Graham School of Business
Accounting M.Acc.
Business Administration M.B.A.
Integrated Marketing Communication M.A.
Leadership M.A.
Public Finance M.P.F

School of Nursing and Health Professions
Adult-Gerontology Nurse Practitioner M.S. and Post-Master's Certificate

Adult-Gerontology Nurse Practitioner Primary Care M.S.
Doctor of Nursing Practice (Post-Masters) D.N.P.
Doctor of Nursing Practice (Nurse Anesthetist) D.N.P.
Nurse Educator M.S.
Psychiatric Mental Health Nurse Practitioner M.S.

Information Resources

Information Resources provides state-of-the-art information systems to all faculty, staff and students. Students are assigned a network account that allows them to access file storage, networked programs, e-mail, internet access, and printing. The College's network services are provided by a variety of servers to computers via a campus-wide fiber optic network connecting all academic, administrative, and residential buildings.

Faculty & Staff Profile

As of fall 2020, the College employed 261 full-time equivalent faculty. Of the 172 full-time faculty, 84% held a doctorate, 13% held a master's, and 3% held another terminal degree. Full professors comprised 12% of the full-time faculty; associate professor, 41%; assistant professors, 33%; and instructors, 14%.

The College, including YCDS employed 219 professional administrative staff personnel (187 FT; 32 PT) and 226 service personnel (121FT; 105 PT) to support its academic, student life and auxiliary programs.

The student-to-faculty (FTE) ratio for the College for fall 2020 was 14:1.

There is no collective bargaining unit or other labor union representative on campus. Relations between the College and its employees are considered to be very good.

Pension Plan

The College's pension plan is a defined contribution plan which operates under Section 403(b) of the Internal Revenue Code. These benefits are provided to eligible employees through contributions to a non-forfeitable savings account. Employees may contribute as much as they may choose, limited only by IRS guidelines. The College provides a match of up to 7 percent of the employee's salary.

In addition to the 403(b) plan, certain senior administrators are eligible to participate in a supplemental 457(b) retirement plan. The President of the College also participates in a supplemental nonqualified 457(f) retirement plan.

While the College terminated its voluntary separation plan for full-time faculty members, it has a liability to faculty members who elected to retire in the future under the plan prior to its termination and will make payments to certain faculty members as late as fiscal 2023.

Admissions and Enrollment

Applications, acceptances, matriculations, average SAT scores, and FTE enrollment information is depicted below for the years shown.

Academic Year	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Freshman Admissions Data					
Applications Received	5,747	5,121	5,561	5,878	5,621
Applications Completed	4,247	4,055	4,490	4,346	4,185
Acceptances	3,539	3,637	3,937	4,124	4,035
Acceptance Rate – Received	62%	71%	71%	70%	72%
Acceptance Rate – Completed	83%	90%	88%	95%	96%
Matriculations	899	993	975	942	846
Matriculation Rate	25%	27%	25%	23%	21%
Average SAT Scores	1047	1099*	1120	1109	1089
FTE Graduate Students	123	126	148	153	163
Total FTE Enrollment	4,127	4,079	3,976	3,956	3,707

* Reflects scoring modifications made to the SAT starting 2016.

The College has a full and active enrollment management and admissions team who maintains persistent contact with prospective freshmen and has developed alternative methods of providing information including expanded virtual tours and "accepted student days". While the future implications of COVID-19 remain uncertain, the College has enhanced its marketing activity, both virtually and in-person to achieve its fall 2021 class. See "Accounting Matters" for further discussion of the impact of COVID-19 on the College's operations.

Fall 2021 Update

Applications, acceptances, and deposit information for prospective freshmen to begin in Fall 2021, as of April 4, 2021, compared to the same information for the period through April 5, 2020, for the incoming freshmen in Fall 2020 is shown below:

	As of April 5, 2020	**As of April 4, 2021**
Applications	5,292	4,879
Acceptances	3,745	3,820
Deposits	607	506

Demographics

The table below shows first-time, full-time freshman, primary demographics for the past 5 fiscal years.

Primary States	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020
Pennsylvania	57%	57%	63%	63%	58%
Maryland*	21%	23%	22%	19%	23%
New Jersey	10%	7%	7%	6%	9%
New York	6%	5%	3%	3%	3%
Other	6%	8%	6%	9%	7%

*The College is located 57 miles from suburban Baltimore and 186 miles from New York City.

Residential vs. Commuter Population & Housing Availability

Academic Year:	2016/17	2017/18	2018/19	2019/20	2020/21
Full-Time Undergraduate Students	3,846	3,820	3,707	3,685	3,438
Full-Time Undergraduate Commuters	980	1,068	1,128	1,179	1,112
% Commuters	25.5%	28.0%	30.4%	32.0%	31.2%
Housing Requirements	2,866	2,752	2,579	2,506	2,326
Housing Availability	2,565	2,551	2,419	2,418	2,418*

*The College removed the availability of certain beds to accommodate COVID-19 related matters.

Full-Time Undergraduate and Graduate Tuition, Fees, Room & Board

The following table shows full-time undergraduate tuition, fees, and room and board charges, and full-time graduate tuition and fees, for the years shown below.

	2017/18	2018/19	2019/20	2020/21	2021/22
Tuition	$17,560	$18,180	$18,910	$19,670	$20,260
Fees	1,870	1,920	1,976	2,030	2,090
Room & Board	10,780	11,200	11,540	11,690	12,050
Total Undergraduate Tuition & Fees	$30,210	$31,300	$32,426	$33,390	$34,400
Graduate Tuition	$14,310	$14,760	$14,760	$14,760	$12,960

Note: Graduate Tuition varies by program – amounts presented are for the Masters in Business Administration (MBA) program.

Student Financial Aid

The majority of full-time students received financial aid for the 2020-21 academic year. Assistance supplements the contribution that a student and his or her family make toward the educational fees. Financial aid packages consist of federal and state grants and loans, institutional grants and scholarships, work-study opportunities, and outside grants and scholarships.

Competition

The following table lists the total tuition, fees, room, and board rates for fall of 2020 for the four-year public and private colleges and universities that, in the view of College management, has primarily competed with the College for qualified students.

Institution	State	% Cross Applications (Enrolled Other Schools)	In-State	Out-of-State
Stevenson University*	MD	2.0%	$51,774	$51,774
York College of PA*	**PA**		**$33,390**	**$33,390**
Temple University	PA	1.9%	$30,566	$44,866
Penn State – University Park	PA	7.0%	$29,572	$29,572
University of Delaware	DE	1.7%	$28,132	$49,562
Shippensburg University	PA	1.5%	$25,400	$33,192
Millersville University	PA	2.3%	$25,230	$34,950
Towson University	MD	2.8%	$23,644	$37,780
Kutztown University	PA	2.1%	$21,708	$25,566
Bloomsburg University	PA	1.7%	$21,616	$33,199
West Chester University	PA	2.8%	$19,965	$31,539

* Private Institution

Source: Collegeboard.org and institution websites

Financial Information Summary

For the past five fiscal years ended June 30, the financial information presented below has been derived from the audited financial statements of the College.

York College of Pennsylvania
Consolidated Statements of Financial Position
June 30, 2016-2020

	2016	2017	2018	2019	2020
ASSETS					
Cash and cash equivalents	$ 14,902,714	$ 9,000,471	$ 4,225,477	$ 7,530,671	$ 18,746,444
Restricted cash and cash equivalents	4,327	-	-	-	-
Accounts and grants receivable	1,321,349	1,601,612	1,862,991	2,093,310	3,489,219
Inventory	799,036	717,811	599,412	502,003	478,166
Prepaid expenses and other assets	1,165,664	1,068,035	874,683	1,164,882	1,248,967
Investments	175,280,016	202,403,250	214,405,428	217,021,772	206,111,152
Contributions receivable, net	6,962,370	11,260,939	9,193,007	8,402,110	8,590,377
Student loans receivable	196,825	188,620	188,001	161,439	151,884
Funds held in trust by others	7,876,903	8,283,610	8,431,441	8,388,218	7,972,480
Beneficial interest in foundation	21,334,004	21,497,951	21,639,219	21,797,540	21,983,043
Property and equipment, net	241,607,885	240,151,523	242,865,533	240,261,801	232,746,196
TOTAL ASSETS	$ 471,451,093	$ 496,173,822	$ 504,285,192	$ 507,323,746	$ 501,517,928
LIABILITIES					
Accounts payable	$ 5,002,949	$ 4,220,738	$ 3,767,718	$ 3,522,469	$ 3,302,758
Students' advance payments and deposits	3,624,313	3,373,238	3,109,001	3,909,345	5,954,410
Accrued salaries and benefits and other liabilities	5,642,754	5,931,361	5,393,152	5,525,590	5,523,700
Annuities payable	1,267,231	1,234,627	1,175,607	1,195,953	1,215,339
Advances from federal government	382,961	348,127	304,094	304,094	277,189
Deposits held in custody for others	13,937	9,851	36,616	53,545	97,841
Deferred compensation	7,896,705	7,471,477	4,740,051	1,858,304	1,442,930
Notes payable	1,451,681	956,223	482,888	530,660	358,216
Bonds payable, net	83,543,831	81,920,390	83,603,801	81,183,332	78,628,830
TOTAL LIABILITIES	$ 108,826,362	$ 105,466,032	$ 102,612,928	$ 98,083,292	$ 96,801,213
NET ASSETS					
Without donor restrictions	$ 284,502,751	$ 298,243,077	$ 307,591,129	$ 313,605,842	$ 310,504,676
With donor restrictions	78,121,980	92,464,713	94,081,135	95,634,612	94,212,039
TOTAL NET ASSETS	$ 362,624,731	$ 390,707,790	$ 401,672,264	$ 409,240,454	$ 404,716,715
TOTAL LIABILITIES AND NET ASSETS	$ 471,451,093	$ 496,173,822	$ 504,285,192	$ 507,323,746	$ 501,517,928

The College adopted, as required, ASU 2016-14 - Presentation of Financial Statements of Not-for-Profit Entities during the year ended June 30, 2019. All years presented prior to fiscal 2019 have also been reclassified and presented as such.

York College of Pennsylvania
Consolidated Statements of Activities
For Years Ended June 30, 2016-2020

	2016	2017	2018	2019	2020
REVENUES WITHOUT DONOR RESTRICTION					
Tuition and fees	$ 84,167,858	$ 82,446,442	$ 84,668,240	$ 85,854,032	$ 88,618,332
Less: Scholarship allowances	(18,334,462)	(20,602,973)	(22,759,932)	(24,302,305)	(26,193,619)
Net tuition and fees revenues	65,833,396	61,843,469	61,908,308	61,551,727	62,424,713
Contributions	1,097,982	930,566	899,791	995,901	1,036,034
Government grants and contracts	1,169,289	1,054,805	1,095,954	1,066,954	3,718,069
Investment return designated for operations	2,095,706	5,459,367	5,561,143	5,765,388	5,624,819
Interest income	321,624	302,830	297,614	699,482	613,463
Other income	437,428	507,062	583,485	653,999	596,101
Sales and services of auxiliary enterprises	28,764,334	28,586,074	28,485,795	28,669,794	24,646,932
Net assets released from restrictions	9,346,131	5,214,580	7,041,016	6,721,679	5,685,807
TOTAL REVENUES WITHOUT DONOR RESTRICTION	109,065,890	103,898,753	105,873,106	106,124,924	104,345,938
EXPENSES WITHOUT DONOR RESTRICTION					
Education and general					
Instructional	41,206,211	41,798,914	39,574,423	39,591,920	41,265,344
Public service	733,454	187,612	142,090	141,743	135,090
Academic support	10,236,714	10,853,831	11,712,591	13,176,932	13,196,411
Student services	11,054,367	11,714,518	11,972,283	12,074,454	12,683,018
Institutional support	14,140,254	14,609,249	14,137,950	15,297,843	16,100,094
Auxiliary enterprises	22,658,337	21,950,155	21,996,181	22,462,622	21,042,051
Loss on extinguishment of debt	707,036	-	2,747,677	-	-
TOTAL EXPENSES WITHOUT DONOR RESTRICTION	100,736,373	101,114,279	102,283,195	102,745,514	104,422,008
CHANGE IN NET ASSETS FROM OPS. WITHOUT DON. REST.	8,329,517	2,784,474	3,589,911	3,379,410	(76,070)
NON-OPERATING INCOME (LOSS) WITHOUT DONOR RESTRICTION					
Investment return, net of amount designated for operations	(4,220,058)	10,955,852	5,758,141	2,635,303	(3,025,096)
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTION	4,109,459	13,740,326	9,348,052	6,014,713	(3,101,166)
CHANGES IN NET ASSETS WITH DONOR RESTRICTION	20,372,380	14,342,733	1,616,422	1,553,477	(1,422,573)
NET ASSETS, BEGINNING	338,142,892	362,624,731	390,707,790	401,672,264	409,240,454
NET ASSETS, ENDING	$ 362,624,731	$ 390,707,790	$ 401,672,264	$ 409,240,454	$ 404,716,715

The College adopted, as required, ASU 2016-14 - Presentation of Financial Statements of Not-for-Profit Entities during the year ended June 30, 2019. The information shown above is presented providing the detail results of the change in net assets without donor restrictions and the total change in net assets with donor restrictions. All years presented prior to fiscal 2019 have also been reclassified and presented as such.

Accounting Matters

Potential purchasers of the College's Bonds should read the College's audited financial statements for the year ended June 30, 2020, which are included in Appendix B to this Official Statement, in their entirety for more complete information regarding the College's financial position.

In the opinion of the administration of the College, there has been no material adverse change in the financial condition of the College since June 30, 2020, the most recent date for which audited financial statements were published. See "COVID-19 Matters" below for more information on the current situation.

<u>COVID-19 Matters</u>

March 13: The College suspended all face-to-face classes.

March 15: Closed physical campus

March 16: Remote learning commenced and continued for the remainder of the spring term.

May 1: Students received individualized communications regarding room and board financial adjustments due to campus closures, funded by a CARES Act grant received by the College.

May 19 – June 12: Students removed belongings from residence halls, guided by Commonwealth of Pennsylvania restrictions.

June 16: Announcement that the College would open for the 2020-21 academic year and offer a blend of virtual and in-person instruction in each class in accordance with the following schedule:

- August 25 – First Day of Classes;
- November 24 – Last Day of On-Campus Instruction with remainder of semester online;
- December 1-5 – Final Exams (remote)

July 13: Health and Safety Campus Guidelines Announced:

All members of the campus community were informed of the College's requirements to follow certain PDE and CDC guidelines, including:

- Maintaining social distancing guidelines of at least six feet.
- Wearing a face covering while visiting ALL public spaces on campus, including classrooms, and while traversing campus (with certain exemptions permitted via formal requests)
- Washing hands and/or using hand sanitizer regularly.
- Disinfecting personal electronic devices.
- Waiting outside a fully occupied public restroom until someone exits.
- Following posted occupancy guidelines for elevators, meeting spaces, lounges, study rooms, etc.
- Monitoring individual health metrics.
- Staying home if sick and for students to notify instructors, employers, and campus health office.
- Scheduling an appointment with the Health Center or your Primary Care Provider, as necessary.

During fiscal 2020, the College was awarded a Higher Education Emergency Relief Fund (HEERF) grant of approximately $3,284,000. As of June 30, 2020, approximately $1,345,000 of the approximately $1,642,000 student portion of the grant was received, awarded, expended and recognized as both revenue and student services expense. The remaining approximately $297,000 of the student portion of the award is expected to be received and awarded in fiscal 2021.

Approximately $1,642,000 of the institutional portion of the grant was drawn and approximately $1,345,000 was recognized as grant revenue. The remaining approximately $297,000 received was deferred to fiscal 2021.

The institutional portion of the grant partially offset the negative impact that COVID-19 had on the Colleges fiscal 2020 financial results. The College estimates that the net unfavorable impact of COVID-19 on its "Change in Net Assets from Operations – Without Donor Restrictions" for the year ended June 30, 2020 was approximately $1,750,000.

Fall Semester, 2020-21 Academic Year:

All York College students were asked to sign a form acknowledging, accepting, and agreeing to comply with new protocols and practices established in response to the COVID-19 pandemic. Students not in compliance were informed of campus protocols to refer such students to the College's Student Conduct process. At the commencement of the 2020-21 academic year, COVID-19 testing has been available for students on campus who exhibit symptoms or are identified as at-risk for exposure through contact tracing.

Students were asked to self-quarantine at home for 14 days before returning to campus. After their arrival, students were asked to remain on campus or in the surrounding campus area where the COVID-19 status. Students were also asked not to travel outside of the general York geographic area, especially to destinations experiencing a resurgence in positive cases.

Students unable to adhere to the College's health and safety regulations were able to request an accommodation to receive virtual instruction for all courses, with appropriate medical documentation. To date, approximately 200 students were granted off-campus medical waivers.

On August 31, the campus community was informed that two members of the York College community tested positive for COVID-19, that such cases were unrelated, and that contact tracing had been conducted, resulting in the notification of any individuals in close contact to the two individuals who had tested positive. The College has reported its COVID-19 testing results through a dashboard on its website throughout the fall 2020 semester.

During the first two weeks of October, restrictions were enacted to mitigate the spread of COVID-19 including reduced opportunities to gather in groups, eating in dining halls, reduced seating in the campus library and no visitors permitted in the residence halls. On October 16, such restrictions were lifted. Since the commencement of the fall semester on August 24 through October 19, a total of 30 York College students and 7 York College employees have tested positive for COVID-19. In preparation for fiscal year 2021, the College prepared several budget scenarios, in anticipation of potential operational changes due to COVID-19.

The College conducted its January intersession term online and students returned to campus for the spring semester, which began on February 1, 2021. The Spring semester protocols follow those in place during the Fall 2020 semester, with the most significant change being the inclusion of random surveillance COVID-19 testing of students during the Spring.

During fiscal 2021, the College was awarded approximately $5,059,000 from an additional HEERF grant under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Of this amount, approximately $3,447,000 is for institutional use to defray expenses associated with COVID-19 including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education and other costs. The balance of approximately $1,642,000 must go directly to students in the form of emergency financial aid grants for expenses related to the disruption of campus operations due to coronavirus. The College has not yet drawn any of the funds related to this grant.

The College also expects to be a recipient of a third HEERF grant under the American Rescue Plan. While the College has not received an official notice of its award, a third party has estimated that the College will be awarded approximately $9.0 million, half of which will be for institutional use and half of which will go directly to students. The College cannot provide any assurance as to the accuracy of this estimate; however, the third party that provided the estimate was reasonably accurate with their estimates of the prior two HEERF grants.

Long-Term Investments

As of June 30, 2020, approximately $150 million of the College's long-term investments were unrestricted.

Year	Long-Term Investments Market Value
FY 2016	$175,280,016
FY 2017	$202,403,250
FY 2018	$214,405,428
FY 2019	$217,021,772
FY 2020	$206,111,152

The College estimates the long-term investment market value as of February 28, 2021 approximates $245 million.

Fundraising and Communications

The College has a centralized advancement operation that incorporates alumni relations and fundraising into one division.

Alumni Relations:
The Alumni Relations unit focuses on developing and building relationships with the more than 32,500 alumni of the College. In addition, alumni relations programs engage and educate the College's students, our future alumni, on the value of the College's alumni network. Three primary goals of the Alumni Relations programs are to collect alumni contact data to grow the alumni network database; use regional alumni ambassadors to communicate College information for enrollment and strategic plan purposes; and increase alumni and future alumni support and participation in the College's annual fund campaign.

Fundraising:
Cash gifts and grants to the College (including York Country Day School) during fiscal 2020 totaled approximately $6.9 million. Included in this amount is more than $2.1 million designated to the York College Fund that provides annual operating support to the College.

The table below shows the total giving (cash) to the College for the past ten years, including gifts to York Country Day School since 2012:

	Cash Given
FY 2011	$7.5 Million
FY 2012	$7.8 Million
FY 2013	$6.2 Million
FY 2014	$8.8 Million
FY 2015	$10.1 Million
FY 2016	$11.4 Million
FY 2017	$9.5 Million
FY 2018	$7.9 Million
FY 2019	$6.9 Million
FY 2020	$6.9 Million

Due to a concentration on increasing alumni engagement and number of donors, the College had seen a donor increase of 19% over a recent five-year period. The advent of COVID-19 led to a decrease in the total number of donors in the past year. Despite this, in large part due to the College's Comprehensive Campaign, the College received approximately $14.4 million in total gifts during fiscal year 2020, including new pledges resulting in the second best fundraising year in the College's history. The College has established a five-year development plan to continue to build on the efforts and results related to increasing the number of donors to the College.

Comprehensive Campaign:
Fiscal year 2020 was the final year of the quiet phase of the College's first comprehensive campaign. This campaign will support the successful completion of the College's strategic plan and includes fundraising initiatives focused on scholarship support, programming support and facility improvements central to student life.

As of February 28, 2021, the College had raised approximately $60.5 million towards an announced goal of $55 million and its upwardly adjusted internal goal of $60 million. The College's campaign benchmark goal for the period ended October 1, 2020 was $38.5 million. During fiscal 2021 to date, the College has received total gifts, including new pledges and planned giving commitments, of approximately $22.5 million. It is likely that the College will increase its goal by an additional $5 to $10 million in the future. The campaign is scheduled to conclude in the Spring 2023.

Communications and Marketing:
The College's Communications Department has worked with Enrollment Management to develop an institutional marketing plan that utilizes web, video, print and media to promote the brand and support enrollment management. It has also developed the comprehensive campaign identity and case for support statement for the fund raising initiatives.

Litigation

The College, like other similar institutions, is subject to a variety of suits and proceedings arising in the ordinary course of business. In the opinion of the College, there is no litigation of any nature pending or threatened wherein an unfavorable decision would have a material adverse impact on the financial condition of the College.

Insurance Coverage

Currently the College maintains insurance coverage for many purposes, including the following:

- Buildings and Personal Property: $388,938,000
- Earthquake: $25,000,000
- Flood: $25,000,000 with limitations on certain properties
- Commercial General Aggregate: $5,000,000
- Boiler and Machinery: $100,000,000 (limit)
- Automobile: $1,000,000
- Commercial Excess Liability: 1st Layer: $10,000,000; 2nd Layer: $5,000,000; 3rd Layer: $5,000,000
- Crime: Computer Fraud, Funds Transfer, Sexual Abuse – various levels of coverage
- Pollution Liability Aggregate: $20,000,000

College Indebtedness

The table below illustrates the College's current fiscal year estimated debt service requirements assuming issuance of the Bonds.

DATE	Series 2014 T4	Series 2015 NN2	Series 2016 OO3	Series 2017 PP4	Series 2020 SS1	Series 2020 W1	Series 2020 W2	Series 2021 TT2	TOTAL
06/30/2022	761,350.00	2,071,300.00	469,650.00	1,402,643.76	248,525.00	181,177.50	188,282.50	1,022,377.78	6,345,306.54
06/30/2023	726,937.50	2,073,300.00	469,650.00	1,404,193.76	248,525.00	204,268.75	200,716.25	1,039,750.00	6,367,341.26
06/30/2024	712,637.50	2,066,925.00	469,650.00	1,401,918.76	248,525.00	230,912.50	230,912.50	1,066,250.00	6,427,731.26
06/30/2025	698,337.50	2,067,050.00	469,650.00	1,400,618.76	248,525.00	248,675.00	248,675.00	1,085,000.00	6,466,531.26
06/30/2026	784,037.50	2,063,425.00	469,650.00	1,403,218.76	248,525.00	248,675.00	248,675.00	1,016,250.00	6,482,456.26
06/30/2027	866,987.50	2,063,050.00	469,650.00	1,405,843.76	248,525.00	248,675.00	248,675.00	944,250.00	6,495,656.26
06/30/2028	847,187.50	2,066,975.00	469,650.00	1,403,218.76	248,525.00	248,675.00	248,675.00	969,250.00	6,502,156.26
06/30/2029	827,387.50	2,064,325.00	868,575.00	1,403,718.76	248,525.00	248,675.00	248,675.00	1,001,500.00	6,911,381.26
06/30/2030	807,587.50	2,072,643.75	876,125.00	1,402,218.76	248,525.00	248,675.00	248,675.00	1,040,500.00	6,944,950.01
06/30/2031	887,787.50	2,012,681.25	873,225.00	1,403,593.76	248,525.00	248,675.00	248,675.00	1,140,750.00	7,063,912.51
06/30/2032	965,237.50	2,084,287.50	879,875.00	1,402,718.76	248,525.00	248,675.00	248,675.00	1,014,000.00	7,091,993.76
06/30/2033	744,937.50	2,060,437.50	876,075.00	1,414,218.76	248,525.00	248,675.00	248,675.00	1,284,800.00	7,126,343.76
06/30/2034	-	-	871,975.00	1,398,343.76	2,314,400.00	248,675.00	248,675.00	2,038,400.00	7,120,468.76
06/30/2035	-	-	5,048,900.00	1,404,159.38	180,275.00	248,675.00	248,675.00	-	7,130,684.38
06/30/2036	-	-	5,049,825.00	1,401,950.00	180,275.00	248,675.00	248,675.00	-	7,129,400.00
06/30/2037	-	-	3,440,850.00	1,403,475.00	1,754,275.00	248,675.00	248,675.00	-	7,095,950.00
06/30/2038	-	-	-	1,403,650.00	3,434,137.50	288,675.00	688,675.00	-	5,815,137.50
06/30/2039	-	-	-	1,401,700.00	-	292,275.00	688,275.00	-	2,382,250.00
06/30/2040	-	-	-	1,407,425.00	-	285,700.00	692,350.00	-	2,385,475.00
06/30/2041	-	-	-	1,401,575.00	-	294,300.00	685,725.00	-	2,381,600.00
06/30/2042	-	-	-	1,404,150.00	-	287,550.00	693,750.00	-	2,385,450.00
06/30/2043	-	-	-	-	-	1,000,975.00	690,900.00	-	1,691,875.00
06/30/2044	-	-	-	-	-	999,375.00	687,525.00	-	1,686,900.00
06/30/2045	-	-	-	-	-	1,001,900.00	688,625.00	-	1,690,525.00
06/30/2046	-	-	-	-	-	1,003,375.00	689,025.00	-	1,692,400.00
06/30/2047	-	-	-	-	-	1,003,800.00	688,725.00	-	1,692,525.00
06/30/2048	-	-	-	-	-	998,175.00	692,725.00	-	1,690,900.00
06/30/2049	-	-	-	-	-	1,001,675.00	690,850.00	-	1,692,525.00
06/30/2050	-	-	-	-	-	1,003,950.00	688,275.00	-	1,692,225.00
Total	**$9,630,412.50**	**$24,766,400.00**	**$22,072,975.00**	**$29,474,553.26**	**$10,845,662.50**	**$13,310,858.75**	**$12,818,111.25**	**$14,663,077.78**	**$137,582,051.04**

*N*ote: Future variable (multi-mode) rates associated with the Series 2014 T4, Series 2020 W1, and Series 2020 W2 have been estimated after their respective term end dates.

Management's Discussion

York College of Pennsylvania has evolved to become a full-fledged, professionally oriented, liberal arts, residential college. The College's academic and co-curricular programs are well positioned to meet the demands of today's students. The results of its focus on experiential learning and professionalism have continued to enhance the College's reputation.

The College has been able to both modernize its campus and maintain its affordable price through its commitment to fiscal responsibility. Over the past ten years, the College has invested approximately $144 million in capital expenditures. Of this amount, approximately $20 million was funded through the issuance of debt, almost entirely for new dormitories that generate revenue to fund the related debt service. Of the remaining capital expenditures, approximately $31 million was funded through gifts and grants while the remainder of approximately $93 million was funded through operating cash.

Throughout this time, the College has been able to maintain its relatively low price, particularly for a private 4-year institution of higher learning. Total tuition, fees, room and board for freshman for the fall of 2020, before discounting, was $33,390. The College maintains its relatively low cost principally through the teaching load of its dedicated faculty, the strategic use of adjunct faculty and a lean administrative staff.

The College has thrived because it has embraced innovation and change and has dedicated itself to the service of its students. Little known outside of South Central Pennsylvania 30 years ago, the College is now rated as one of the best values in higher education in the Northeast. It attracts faculty from some of the best graduate schools in the country and outstanding students from an expanded geographic area. The College continues to receive very positive rankings in national publications including U.S. News & World Report which included the College in the top tier of the Best Regional Universities in the North as well as a Best Value School in 2020. The College is consistently noted as an excellent value.

Based upon the most recent data available, the College is the eighth largest undergraduate private college in Pennsylvania. Total full-time equivalent undergraduate enrollment was 3,544 in the fall of 2020. York College of Pennsylvania has experienced a significant shift in the ratio of part-time to full-time students. In approximately the last 20 years, the College has moved from being evenly split between full-time and part-time students to being predominantly attended by full-time students of traditional college age. The proportion of total enrollment accounted for by full-time students has surged from 56% to 91% over approximately the last 20 years. The College has experienced a 22% increase in residential students over approximately the past 20 years and currently has a residential capacity of 2,418 beds.

Like many institutions of higher education, York College of Pennsylvania has had a modest decline in undergraduate full-time equivalent enrollment over the last several years. Enrollment remains at a healthy level (3,544 undergraduate FTE in fall 2020) despite somewhat lower retention, and the College generated audited results of approximately $3.4 million and $4.1 million in "Change in Net Assets from Operations – Without Donor Restrictions" and "Net Cash Provided by Operating Activities", respectively, for the year ended June 30, 2019.

The College had an approximate $76,700 deficit "Change in Net Assets from Operations – Without Donor Restrictions" and generated approximately $2.7 million "Net Cash Provided by Operating Activities" for the year ended June 30, 2020. The College estimates that the unfavorable net impact of COVID-19 on its "Change in Net Assets from Operations – Without Donor Restrictions" for the year ended June 30, 2020 was approximately $1,750,000.

The College has sought to improve the efficiency of its admissions process by expending resources on potential applicants that have the highest probability of enrolling at the College. This customer relationship management based approach intentionally reduces the number of applicants who were unlikely to enroll at the College thereby enabling the admissions staff to focus their time and efforts on developing relationships with, and securing completed applications and deposits from students who showed interest in attending the College. This approach, along with improving the leverage of the College's financial aid offerings, has led to a matriculation rate for fall 2020 of over 21%.

Over the past few years, the College has actively taken steps to reduce operating expenses to largely mitigate the enrollment decline. The College has also implemented admissions initiatives to increase applications and acceptances and yield while maintaining its academic standards and its relationship management based approach to admissions.

Key initiatives continue to include a robust marketing campaign to increase awareness, name recognition and campus visits, expanding recruitment efforts to a broader geographic area and new markets, and continuing to improve its relationship management focus of admissions particularly through data-driven territory plans, increased sales training and increased student outreach throughout the entire calendar year. The College is confident that its value proposition will deeply resonate with prospective students through the implementation of these initiatives.

The College recognizes the need to continue its evolution to focus on preparing outstanding professional graduates in all fields of study. As noted above, the College has made significant capital improvements to its campus, including new and renovated academic spaces and the construction of additional dormitories. The College is both well positioned and committed to the resources necessary to continuously provide a broad based education focused on the intellectual, social and physical development of young people.

Faculty Recognition Garden

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APPENDIX B

AUDITED FINANCIAL STATEMENTS OF YORK COLLEGE OF PENNSYLVANIA FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

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York College of Pennsylvania

Financial Statements

June 30, 2020 and 2019

Independent Auditors' Report

To the Board of Trustees of
York College of Pennsylvania

We have audited the accompanying financial statements of York College of Pennsylvania, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of York College of Pennsylvania as of June 30, 2020 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of York College of Pennsylvania for the year ended June 30, 2019 and for the year ended June 30, 2018, from which the summarized 2018 information was derived, were audited by another auditor who expressed an unmodified opinion on those financial statements on November 14, 2019. Our opinion is not modified with respect to this matter.

Baker Tilly US, LLP

Baker Tilly US, LLP (formerly known as Baker Tilly Virchow Krause, LLP)
Pittsburgh, Pennsylvania
October 9, 2020

York College of Pennsylvania

Statements of Financial Position
June 30, 2020 and 2019

Assets	2020	2019
Cash and cash equivalents	$ 18,746,444	$ 7,530,671
Accounts and grants receivable (less provision for uncollectible accounts of $1,837,778 in 2020 and $1,510,530 in 2019)	3,489,219	2,093,310
Inventory	478,166	502,003
Prepaid expenses and other assets	1,248,967	1,164,882
Investments	206,111,152	217,021,772
Contributions receivable, net	8,590,377	8,402,110
Student loans receivable	151,884	161,439
Funds held in trust by others	7,972,480	8,388,218
Beneficial interest in foundation	21,983,043	21,797,540
Property and equipment, net	232,746,196	240,261,801
Total assets	$ 501,517,928	$ 507,323,746
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 3,302,758	$ 3,522,469
Students' advance payments and deposits	5,954,410	3,909,345
Accrued salaries and benefits and other liabilities	5,523,700	5,525,590
Annuities payable	1,215,339	1,195,953
Advances from federal government	277,189	304,094
Deposits held in custody for others	97,841	53,545
Deferred compensation	1,442,930	1,858,304
Notes payable	358,216	530,660
Bonds payable, net	78,628,830	81,183,332
Total liabilities	96,801,213	98,083,292
Net Assets		
Without donor restrictions	310,504,676	313,605,842
With donor restrictions	94,212,039	95,634,612
Total net assets	404,716,715	409,240,454
Total liabilities and net assets	$ 501,517,928	$ 507,323,746

See notes to financial statements

York College of Pennsylvania

Statement of Activities
Year Ended June 30, 2020
(with comparative totals for 2019)

	2020			2019
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**Total**
Revenues, Gains and Other Support				
Tuition and fees, net	$ 62,424,713	$ -	$ 62,424,713	$ 61,551,727
Contributions	1,036,034	1,890,757	2,926,791	3,042,743
Government grants and contracts	3,718,069	-	3,718,069	1,066,954
Investment return designated for operations	5,624,819	1,952,609	7,577,428	7,858,641
Interest income	613,463	-	613,463	699,482
Other income	596,101	96,572	692,673	759,544
Sales and services of auxiliary enterprises	24,646,932	-	24,646,932	28,669,794
Net assets released from restrictions	5,685,807	(5,685,807)	-	-
Total revenues, gains and other support	104,345,938	(1,745,869)	102,600,069	103,648,885
Operating Expenses				
Instructional	41,265,344	-	41,265,344	39,591,920
Public service	135,090	-	135,090	141,743
Academic support	13,196,411	-	13,196,411	13,176,932
Student services	12,683,018	-	12,683,018	12,074,454
Institutional support	16,100,094	-	16,100,094	15,297,843
Auxiliary enterprises	21,042,051	-	21,042,051	22,462,622
Total operating expenses	104,422,008	-	104,422,008	102,745,514
Change in net assets from operations	(76,070)	(1,745,869)	(1,821,939)	903,371
Net Nonoperating Revenues				
Investment return, net of amount designated for operations	(3,025,096)	(1,420,904)	(4,446,000)	3,618,356
Contributions for long-term investments, net of write-offs	-	1,744,200	1,744,200	3,046,463
Total net nonoperating revenues	(3,025,096)	323,296	(2,701,800)	6,664,819
Change in net assets	(3,101,166)	(1,422,573)	(4,523,739)	7,568,190
Net Assets, Beginning	313,605,842	95,634,612	409,240,454	401,672,264
Net Assets, Ending	$ 310,504,676	$ 94,212,039	$ 404,716,715	$ 409,240,454

York College of Pennsylvania

Statement of Activities
Year Ended June 30, 2019
(with comparative totals for 2018)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues, Gains and Other Support				
Tuition and fees, net	$ 61,551,727	$ -	$ 61,551,727	$ 61,908,308
Contributions	995,901	2,046,842	3,042,743	2,497,574
Government grants and contracts	1,066,954	-	1,066,954	1,095,954
Investment return designated for operations	5,765,388	2,093,253	7,858,641	7,447,614
Interest income	699,482	-	699,482	297,614
Other income	653,999	105,545	759,544	695,348
Sales and services of auxiliary enterprises	28,669,794	-	28,669,794	28,485,795
Net assets released from restrictions	6,721,679	(6,721,679)	-	-
Total revenues, gains and other support	106,124,924	(2,476,039)	103,648,885	102,428,207
Operating Expenses				
Instructional	39,591,920	-	39,591,920	39,574,423
Public service	141,743	-	141,743	142,090
Academic support	13,176,932	-	13,176,932	11,712,591
Student services	12,074,454	-	12,074,454	11,972,283
Institutional support	15,297,843	-	15,297,843	14,137,950
Auxiliary enterprises	22,462,622	-	22,462,622	21,996,181
Loss on extinguishment of debt	-	-	-	2,747,677
Total operating expenses	102,745,514	-	102,745,514	102,283,195
Change in net assets from operations	3,379,410	(2,476,039)	903,371	145,012
Net Nonoperating Revenues				
Investment return, net of amount designated for operations	2,635,303	983,053	3,618,356	7,835,977
Contributions for long-term investments, net of write-offs	-	3,046,463	3,046,463	2,983,485
Total net nonoperating revenues	2,635,303	4,029,516	6,664,819	10,819,462
Change in net assets	6,014,713	1,553,477	7,568,190	10,964,474
Net Assets, Beginning	307,591,129	94,081,135	401,672,264	390,707,790
Net Assets, Ending	$ 313,605,842	$ 95,634,612	$ 409,240,454	$ 401,672,264

See notes to financial statements

York College of Pennsylvania

Statement of Functional Expenses
Year Ended June 30, 2020

	Instructional	Public Service	Academic Support	Student Services	Institutional Support	Auxiliary Enterprises	Total
Natural Expenses							
Labor and benefits:							
Salaries and wages	$ 23,578,138	$ 62,872	$ 6,849,428	$ 4,395,122	$ 6,734,627	$ 2,489,533	$ 44,109,720
Retirement	1,614,652	5,658	562,843	370,611	537,367	147,587	3,238,718
Group health	3,258,089	8,115	1,083,294	1,082,140	1,254,428	473,423	7,159,489
Other employee benefits	1,795,538	6,026	460,038	337,083	425,911	127,715	3,152,311
Payroll taxes	1,886,375	4,194	525,490	506,989	615,059	219,727	3,757,834
Total labor and benefit expenses	32,132,792	86,865	9,481,093	6,691,945	9,567,392	3,457,985	61,418,072
Professional services:							
Academic and student programming	1,418,088	-	239,372	354,726	350,412	-	2,362,598
Supplies	775,529	42,074	310,872	581,112	308,627	24,816	2,043,030
Direct mail and postage	-	-	-	184,358	417,366	-	601,724
Information technology	109,801	-	2,134,249	31,317	858,104	26,816	3,160,287
Advertising and printing	64,693	-	3,629	567,865	1,580,553	45,077	2,261,817
Athletics and extracurricular programs	15,726	-	43,632	900,616	324,132	-	1,284,106
Bookstore cost of sales	-	-	-	-	-	1,533,454	1,533,454
Food service	-	-	-	-	-	3,445,135	3,445,135
Professional services	31,591	-	3,939	122,144	530,790	40,597	729,061
HEERF student emergency assistance	-	-	-	1,345,536	-	-	1,345,536
All other expenses	458,663	6,151	531,101	339,134	1,562,171	896,226	3,793,446
Total professional services	2,874,091	48,225	3,266,794	4,426,808	5,932,155	6,012,121	22,560,194
Occupancy:							
Depreciation	4,539,749	-	319,406	1,119,689	425,037	6,078,600	12,482,481
Loss on impairment of assets	47,185	-	3,663	12,377	4,278	69,519	137,022
Utilities	775,000	-	57,480	199,386	82,543	1,111,936	2,226,345
Insurance	233,541	-	17,333	60,101	24,820	325,189	660,984
Maintenance	277,532	-	20,722	71,603	28,924	623,984	1,022,765
Taxes, donations in-lieu and fees	133,216	-	10,341	34,944	12,077	326,430	517,008
Contracted services	252,238	-	19,579	66,165	22,868	439,719	800,569
Total occupancy	6,258,461	-	448,524	1,564,265	600,547	8,975,377	17,847,174
Interest expense	-	-	-	-	-	2,596,568	2,596,568
Total operating expenses	$ 41,265,344	$ 135,090	$ 13,196,411	$ 12,683,018	$ 16,100,094	$ 21,042,051	$ 104,422,008

See notes to financial statements

York College of Pennsylvania

Statement of Functional Expenses
Year Ended June 30, 2019

	Instructional	Public Service	Academic Support	Student Services	Institutional Support	Auxiliary Enterprises	Total
Natural Expenses							
Labor and benefits:							
Salaries and wages	$ 23,938,507	$ 62,312	$ 6,710,752	$ 4,175,719	$ 6,653,161	$ 2,668,530	$ 44,208,981
Retirement	1,629,851	5,547	533,496	360,087	519,012	149,414	3,197,407
Other employee benefits	2,695,522	2,988	1,864,599	983,718	1,689,862	1,055,094	8,291,783
Payroll taxes	1,792,132	4,667	448,586	320,448	429,203	130,628	3,125,664
Total labor and benefit expenses	30,056,012	75,514	9,557,433	5,839,972	9,291,238	4,003,666	58,823,835
Professional services:							
Academic and student programming	1,483,589	-	358,219	446,784	238,842	17,338	2,544,772
Supplies	755,627	21,037	397,547	697,613	292,935	-	2,164,759
Direct mail and postage	-	-	-	948,059	364,312	-	1,312,371
Information technology	104,717	-	1,818,197	44,475	760,755	32,634	2,760,778
Advertising and printing	36,521	-	5,708	330,545	1,509,433	50,622	1,932,829
Athletics and extracurricular programs	20,427	20,000	35,074	1,112,961	511,999	10,953	1,711,414
Bookstore cost of sales	-	-	-	-	-	1,807,068	1,807,068
Food service	-	-	-	-	-	3,939,130	3,939,130
Professional services	-	-	-	103,916	666,829	-	770,745
All other expenses	1,162,355	25,192	541,125	983,425	1,119,940	924,459	4,756,496
Total professional services	3,563,236	66,229	3,155,870	4,667,778	5,465,045	6,782,204	23,700,362
Occupancy:							
Depreciation	4,157,905	-	322,758	1,090,669	377,010	6,433,309	12,381,651
Loss on impairment of assets	-	-	-	-	-	283,094	283,094
Utilities	784,619	-	60,906	205,815	71,144	1,156,041	2,278,525
Insurance	203,183	-	15,772	53,297	18,423	299,365	590,040
Maintenance	497,160	-	38,592	130,411	45,079	425,373	1,136,615
Taxes, donations in-lieu and fees	144,300	-	11,201	37,852	13,084	212,609	419,046
Contracted services	185,505	-	14,400	48,660	16,820	273,320	538,705
Total occupancy	5,972,672	-	463,629	1,566,704	541,560	9,083,111	17,627,676
Interest expense	-	-	-	-	-	2,593,641	2,593,641
Total operating expenses	$ 39,591,920	$ 141,743	$ 13,176,932	$ 12,074,454	$ 15,297,843	$ 22,462,622	$ 102,745,514

See notes to financial statements

York College of Pennsylvania

Statements of Cash Flows
Years Ended June 30, 2020 and 2019

	2020	2019
Cash Flows From Operating Activities		
Change in net assets	$ (4,523,739)	$ 7,568,190
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	12,050,895	11,593,689
Loss on impairment of assets	137,021	283,094
Net realized and unrealized gains on investments	(3,131,428)	(11,628,092)
Gifts for long-term investment	(1,744,200)	(1,712,943)
Provision for bad debts	327,248	159,418
Conditional asset retirement obligation	11,747	50,847
Changes in assets and liabilities:		
Accounts and grants receivable	(1,723,157)	(389,738)
Inventory	23,837	97,409
Prepaid expenses and other assets	(84,085)	(290,199)
Contributions receivable	(188,267)	790,897
Accounts payable	(127,010)	(475,233)
Students' advance payments and deposits	2,045,066	800,344
Advances from federal government	(26,905)	-
Accrued salaries and benefits and other liabilities	(13,637)	81,591
Deposits held in custody for others	44,296	16,929
Deferred compensation	(415,374)	(2,881,747)
Net cash provided by operating activities	2,662,308	4,064,456
Cash Flows From Investing Activities		
Purchases of property and equipment	(5,196,959)	(9,831,028)
Sales of investments	72,978,304	212,234,318
Purchase of investments	(58,706,021)	(203,337,668)
Student loans granted	-	(9,900)
Payments on student loans receivable	9,555	36,462
Net cash provided by (used in) investing activities	9,084,879	(907,816)
Cash Flows From Financing Activities		
Gifts received for long-term investment	1,744,200	1,712,943
Change in annuities payable	19,386	20,346
Proceeds from bond issuance	-	615,265
Payments made on bonds payable	(2,295,000)	(2,200,000)
Net cash (used in) provided by financing activities	(531,414)	148,554
Net increase in cash and cash equivalents	11,215,773	3,305,194
Cash and Cash Equivalents, Beginning	7,530,671	4,225,477
Cash and Cash Equivalents, Ending	$ 18,746,444	$ 7,530,671
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest, including amounts capitalized	$ 2,661,494	$ 2,809,262
Supplemental Disclosure of Noncash Investing Activities		
Change in fixed asset accruals	$ 819,933	$ 912,035

See notes to financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

York College of Pennsylvania (the College) is an independent, comprehensive college, offering Associate, Baccalaureate, Master's and Doctorate degrees. The College is accredited by the Middle States Commission of Higher Education. York Country Day School (the Day School), a part of the College, is a college preparatory school enrolling students from pre-school through grade twelve and is accredited by Middle States Commission on Elementary and Secondary Schools and the Pennsylvania Association of Independent Schools.

The College awards grants-in-aid and scholarships to individuals who meet the College's academic standards. The amounts of such awards are determined primarily based upon the merit or financial needs of each applicant. Additional financial aid is provided to students from federal and state programs in which the College participates and from monies contributed to the College by alumni and friends of the College.

During the years ended June 30, 2020 and 2019, the College and external resources provided student financial aid of approximately $26,200,000 and $24,300,000, respectively, which represented approximately 30 percent and 28 percent of gross tuition and fee revenues for 2020 and 2019, respectively.

Basis of Presentation

The financial statements of the College have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Not-for-profit accounting standards require the reporting of total assets, liabilities and net assets in a statement of financial position; reporting the change in net assets in a statement of activities; the reporting of expenses based on functional and natural categories, and reporting the sources and uses of cash and cash equivalents in a statement of cash flows. Net assets, revenues and gains, and expenses and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

Net Assets Without Donor Restrictions - Net assets without donor restrictions consist of resources that are available for use in carrying out the mission of the College and include those expendable resources that have been designated for special use by the Board of Trustees.

Net Assets With Donor Restrictions - Net assets with donor restrictions represent contributions subject to donor-imposed restrictions. Some restrictions are temporary in nature, stipulating that resources be used after a specified date or a particular purpose. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Some restrictions are permanent in nature and mandate the original principal be invested in perpetuity. The majority of the earnings from net assets invested in perpetuity are available for scholarships and academic support. Net assets with donor restrictions also include beneficial interests in perpetual trusts held by third parties.

Revenue Recognition

The College recognizes revenue for tuition, auxiliary enterprises, and other revenue based on the satisfaction of performance obligations. Performance obligations are determined based on the service provided by the College. The following explains the performance obligations related to each revenue stream and how those are recognized.

Tuition and fees are presented net of scholarships in the accompanying statements of activities. The following table summarizes tuition, fees, scholarships and other student aid for the years ended June 30, 2020 and 2019, respectively.

	2020	2019
Gross tuition and fees:		
Undergraduate tuition and fees	$ 78,193,621	$ 75,707,462
Graduate tuition and fees	5,297,166	5,148,874
Day School tuition and fees	5,127,545	4,997,696
Total gross tuition and fees	88,618,332	85,854,032
Less scholarships and other student aid	(26,193,619)	(24,302,305)
Total tuition and fees, net of scholarships and other student aid	$ 62,424,713	$ 61,551,727

Payments received in advance of the College satisfying its performance obligation are recorded within students' advance payments and deposits in the accompanying statements of financial position. The changes in students' advance payments and deposits were a result of normal timing differences between the satisfaction of performance obligations and customer payments. During the years ended 2020 and 2019, the College recognized $3,909,345 and $3,109,001, respectively, from amounts that were included in students' advance payments and deposits at the beginning of their respective years. At June 30, 2020 and 2019, students' advance payments and deposits was $5,954,410 and $3,909,345, respectively.

Included in students' advance payments and deposits as of June 30, 2020 are credits that the College issued to students for housing, meal plans and other fees adjustments related to the decision to close the campus for in-person instruction due to the threat of exposure to COVID-19. The performance obligation related to approximately $2,000,000 of unused credits and is included in students' advance payments and deposits as of June 30, 2020 and will be satisfied in one year.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value on the date of the contribution. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with market rates at the time of the contributed pledge. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of the fund-raising activity.

Cash and Cash Equivalents

The College considers all highly-liquid debt instruments with original maturities of three months or less to be cash equivalents, consisting of demand deposits with banks, certificates of deposit and money market funds.

Accounts Receivable

Accounts receivable are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based on management's assessment of individual accounts. The allowance for doubtful accounts is estimated based on the College's historical losses and periodic review of individual accounts.

Inventories

Inventories are stated at the lower of first-in, first-out (FIFO) cost or net realizable value and consist of books and other merchandise for students.

Investments and Investment Risk

Investments are recorded at fair value.

Realized gains and losses arising from the sale of investments and ordinary income from investments are reported as changes in net assets without donor restrictions unless their use is restricted by explicit donor-imposed stipulations. Purchases and sales of investments are recorded on a trade-date basis.

The College maintains a portfolio of diversified investments, managed by investment advisors, with a financial objective to provide ongoing financial support to the College while preserving the purchasing power of the investments over the long term. The fair values reported in the statements of financial position are exposed to various risks including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying financial statements could change materially in the near term.

Funds Held in Trust by Others

Funds held in trust by others represent the College's share of these funds based on the terms of the various irrevocable trusts. These funds are neither in the possession, nor under the control, of the College. Such terms provide that the College is to receive annually a certain percentage of the income earned by the funds, which are held in trust. The present values of the estimated future cash flows from the trusts are recognized as assets and contribution revenues at the dates the trusts are established. Distributions from the trusts are recorded as other investment income, and the carrying value of the assets is adjusted for changes in the estimates of future receipts. Because of the permanent right of the College to its share of the trusts' earnings, the College reports its share of these trusts on its financial statements as funds held in trust by others.

Beneficial Interest in Foundation

Beneficial interest in foundation represents the fair market value of a foundation formed as a supporting organization of the College. These funds are neither in the possession, nor under the control, of the College. During the years ended June 30, 2020 and 2019, the foundation's shares of stock in a privately held company were valued at $21,983,043 and $21,797,540, respectively. Because of the exclusive right of the College to the net assets of the foundation, the College reports the foundation's net assets on the financial statements as beneficial interest in foundation.

Property and Equipment

Property and equipment are stated at cost at date of acquisition. The purchase of library books and other related material is expensed as incurred. Donations of land, buildings and equipment are capitalized and recorded as support at their fair value. Such donations are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit donor restrictions on how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the College reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Depreciation is recorded over the estimated useful lives of the assets using the straight-line method. Buildings and improvements are depreciated between 10 - 40 years and equipment and vehicles are depreciated between 3 - 20 years.

During the years ended June 30, 2020 and 2019, the College capitalized net interest incurred for certain building construction of $0 and $17,739, respectively. Capitalized interest is amortized on a straight-line basis over the life of the related asset.

At each statement of financial position date, management evaluates the carrying amount of property and equipment for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Recoverability of a long-lived asset is measured by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If these comparisons indicate that an asset is not recoverable, the impairment loss recognized is the amount by which the carrying amount of the asset exceeds the related estimated fair value. During the year ended June 30, 2019, the College recognized an impairment charge of $283,094 related to several residence halls the College intends to demolish. During the year ended June 30, 2020, the College also recognized a net impairment charge of $137,022. This charge is included in auxiliary enterprises expense in the statement of activities and principally relates to an electrical study for residence halls.

During the year ended June 30, 2020, the College disposed of certain equipment items totaling $2,809,425.

Works of art, historical treasures and similar assets are recognized at their estimated fair value at the time of gift based upon appraisals or similar valuations. All material items, whether contributed or purchased, have been capitalized. Works of art, historical treasures and similar assets are not subject to depreciation.

Conditional Asset Retirement Obligation

The College considers a conditional asset retirement an obligation that includes a legal obligation associated with the retirement of a tangible long-lived asset in which the timing and/or method of settling the obligation is conditional on a future event that may or may not be within the control of the College. Recognition of a liability is required for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated, even if conditional on a future event. The College records the fair value of a liability for a legal obligation associated with an asset retirement in the period in which the obligation is incurred. When the liability is initially recorded, the cost of the asset retirement obligation is capitalized. At June 30, 2020 and 2019, the conditional asset retirement obligation was $403,298 and $391,552, respectively. The liability is recorded as a component of accrued salaries and benefits and other liabilities in the statements of financial position.

Split-Interest Agreements and Annuities Payable

The College's split-interest agreements with donors consist primarily of annuities and life income. Principally all assets held as part of these agreements are included in investments. Contribution revenues are recognized at the date the agreements are established after recording liabilities for the present value of the estimated future payments to be made to the donors. The liabilities are adjusted during the term of the agreements for changes in the estimated present value of future cash outflows.

The annuities payable represent the net present value of future cash outflows over the annuitant's life expectancy as required by the annuity agreement. Discount rates are set when the annuity agreement is established and range from 2 percent to 7 percent to calculate the future net cash flows of the annuity obligations.

Advances From Federal Government

Funds provided by the United States Government under the Federal Perkins Loan Program and Nursing Student Loan Program are loaned to qualified students and may be re-loaned after collections. These funds are ultimately refundable to the government and are reported as a long-term liability.

Deferred Compensation

The College provided deferred compensation to full-time faculty members in the form of a severance payment upon voluntary termination of employment. The College had accrued the expected cost of this benefit over the years that the faculty members rendered service. During 2018, the College elected to terminate the voluntary separation plan for faculty with a runout period extending through August 31, 2022. During the year ended June 30, 2019, a reduction of $2,600,715 in instructional expense and corresponding reduction in deferred compensation liability was realized as certain eligible participants declined to elect retirement within the runout period. During the year ended June 30, 2020 $614,731 was paid out to retired faculty. The liability related to this faculty benefit for years ended June 30, 2020 and June 30, 2019, was $901,913 and $1,516,644, respectively.

Additionally, senior administrators designated by the Board of Trustees are eligible to participate in a supplemental 457(b) plan. In connection with this plan, a liability of $423,867 and $341,660 was recorded during the years ended June 30, 2020 and 2019, respectively.

During the year ended June 30, 2020, the College established a 457(f) plan for the benefit of the College president. In connection with this plan, a liability of $117,150 was recorded during the year ended June 30, 2020.

Income Taxes

The College is organized under Internal Revenue Code (IRC) Section 501(c)(3) and, therefore, is exempt from income taxes on activities related to its exempt purpose. In addition, the College has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC.

The College accounts for uncertainty in income taxes using a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Management determined there were no tax uncertainties that met the recognition threshold at June 30, 2020 and 2019.

The College's policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses. No interest or penalties were recognized in 2020 or 2019.

Allocation of Certain Expenses

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the College. For years ended June 30, 2020 and 2019, those expenses include fringe benefit expenses of approximately $17,100,00 and $14,600,000, respectively, that are allocated based on estimated time spent on the various programs and supporting activities. Other costs of depreciation and operation and maintenance of plant are allocated based on the square footage of the program or supporting activity. For the years ended June 30, 2020 and 2019, depreciation expense allocated was $12,482,841 and $12,381,651, respectively, and operations and maintenance expense allocated was $9,637,880 and $10,102,833, respectively.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes the estimates and assumptions used in the preparation of these financial statements are reasonable, based upon currently available facts and circumstances.

Nonoperating Activities

Nonoperating activities reflect realized gains and losses on investments, unrealized gains and losses on investments, dividends and interest income related to long-term investments, changes in value of split-interest agreements, and contributions for long-term investments.

Government Grants and Contracts

Operating funds designated by government funding agencies for particular operating purposes are deemed to be earned and reported as revenues when the College has incurred expenditures in compliance with the contract. These contracts are subject to audit by the respective government agencies.

Reclassifications

Certain 2019 amounts have been reclassified to conform to the 2020 presentation. These reclassifications had no effect on 2019 net assets.

New Accounting Standard Not Yet Adopted

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases*. ASU No. 2016-02 was issued to increase the transparency and comparability among entities. Lessees will need to recognize nearly all lease transactions (other than leases that meet the definition of a short-term lease) on the statement of financial position as a lease liability and right-of-use asset (as defined). Lessor accounting under this new guidance will be similar to the current model. Upon adoption, lessees and leassors will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that entities may elect to apply. ASU No. 2016-02 is effective for the College for the year ending June 30, 2021. The College is currently assessing the impact this standard will have on its financial statements.

The Coronavirus Aid, Relief, and Economics Security Act

The Coronavirus Aid, Relief, and Economics Security (CARES) Act provided budgetary relief to higher education institutions. Through the Higher Education Emergency Relief Fund (HEERF). Each institution received one grant comprised of two parts. Under the legislation, no less than 50 percent of the full grant was to be used for direct emergency aid to students. The remaining portion of the full grant was to be used by institutions to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus. Institutions were given one calendar year from the date of award in their HEERF Grant Award Notification to complete the performance of their HEERF grant.

The College was awarded approximately $3,284,000 of HEERF funding, during year ending June 30, 2020. Institutions may recognize the institutional portion of the grant to the extent the grant was expended on student relief as of June 30, 2020. As of June 30, 2020, approximately $1,345,000 of the student relief portion of the grant was received, expended, and recognized as government grants and contract revenue and student services expense, respectively. Approximately $1,642,000 of the institutional portion of the grant was drawn and $1,345,000 of the institutional grant recognized as government grants and contract revenue. The remaining $297,000 was deferred to fiscal year 2021 and is a component of student advance payments and deposits as of June 30, 2020. As restrictions were met in the same period, these grants were reported as changes in net assets without donor restrictions. Approximately $297,000 of the student emergency asstance is to be awarded and expensed during fiscal year ending June 30, 2021.

The COVID-19 pandemic interrupted the College's on-campus instruction in March 2020. In response to the threat of the coronavirus, the College moved exclusively to virtual instruction. This action, along with other response and protective actions taken by the College had an adverse effect on fiscal year 2020 operations. The College lost revenue due to an adjustment to student accounts for unused room, meal, and other charges. The amount of this loss was partially offset by an adjustment to reflect a decrease in the overall cost of attendance and its impact on financial aid to resident students.

Additionally, the College incurred costs to allow for the transition to remote learning as well as to provide additional safety through the purchase of information technology equipment, personal protective equipment, and cleaning supplies.

The College received some financial relief from the CARES Act and paid less to its food provider due to the reduction in meal plan revenue. A summary of the impact is as follows:

Revenue:	
Government grants and contracts	$ 2,690,872
Other income	(32,825)
Sales and service of auxiliary enterprises	(3,879,765)
Total revenue effect	(1,221,718)
Expense:	
Insitutional support	(66,110)
Student services	(1,345,436)
Auxiliary enterprises expense	881,586
Total operating expense effect	(529,960)
Net Coronavirus effect	$ (1,751,678)

2. Accounts and Grants Receivable

Accounts receivable represent amounts due for tuition, fees, and room and board from currently enrolled and former students and other receivables generated in the normal course of business.The College extends unsecured credit to certain students and parents of dependent students in connection with their studies. Some of those students are no longer enrolled or have completed their degrees.

Accounts and grants receivable consisted of the following at June 30:

	2020	2019
Student accounts receivable	$ 3,562,440	$ 2,979,534
Less provision for uncollectible accounts	(1,837,778)	(1,510,530)
Total student accounts receivable	1,724,662	1,469,004
Grants and other receivables	1,764,557	624,306
Total accounts and grants receivable	$ 3,489,219	$ 2,093,310

3. Investments

A summary of investments at June 30 are as follows:

	2020	2019
U.S. equity funds	$ 62,838,542	$ 60,137,789
Non U.S. equity funds	46,193,386	50,389,775
Diversifying equity funds	31,339,206	31,098,408
Fixed Income and U.S. government obligations	43,201,722	48,603,759
Private equity and venture capital	16,931,393	16,682,953
Real estate securities	3,308,308	6,749,047
Money markets	2,247,273	3,278,681
Other	51,322	81,360
	$ 206,111,152	$ 217,021,772

The College incurred approximately $1,800,000 and $1,500,000 in investment management and advisor fees during the years ended June 30, 2020 and 2019, respectively. These fees are netted against investment income in the statements of activities. Fees for certain diversifying equity managers include incentive fees based on surpassing defined performance levels. Such fees were approximately $223,000 in 2020 and $127,000 in 2019.

Investments have been restricted by donors or designated by the College for the following purposes:

	2020	2019
Endowment and similar funds	$ 150,760,563	$ 155,136,831
Plant funds	55,323,764	61,826,817
Student loans	26,825	58,124
	$ 206,111,152	$ 217,021,772

The College's principal financial instruments subject to credit risk are its investments. The investments are managed by professional advisors subject to the College's investment policy. The degree and concentration of credit risk varies by type of investment.

The College uses the total return concept for endowment funds. Under this concept, endowment income to be distributed is principally established as a percentage of the three-year annual moving average market value of the pooled endowment assets. Based on this formula, the College used a return factor of 6 percent for general scholarship funds and a 5 percent return factor for all other funds for the years ended June 30, 2020 and 2019. The total distributable income for each of the years ended June 30, 2020 and 2019 was approximately $7,577,000 and $7,858,000, respectively. The total investment return was $3,131,428 and $11,476,997 for the years ended June 30, 2020 and 2019, respectively.

4. Contributions Receivable

Contributions receivable at June 30 are as follows:

	2020	2019
Unconditional promises expected to be collected in:		
Less than one year	$ 1,841,585	$ 1,633,917
One year to five years	4,195,095	3,261,783
Over five years	5,000,000	6,150,000
	11,036,680	11,045,700
Less unamortized discounts and allowance on contributions receivable	(2,446,303)	(2,643,590)
	$ 8,590,377	$ 8,402,110

Contributions receivable over more than one year are discounted using an appropriate discount rate ranging from 1.00 percent to 5.12 percent applicable to the year in which the pledge was received. The allowance for doubtful accounts on contributions receivable totaled $737,047 and $570,907 as of June 30, 2020 and 2019, respectively.

5. Student Loans Receivable

Accounts and loans receivable are not collateralized. Reserves have been provided for based on management's estimate of credit losses. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts.

Loans receivable represents loans to students funded by advances to the College by the federal government under the Federal Perkins and Nursing Student Loan Programs (the Programs). Such funds may be re-loaned by the College after collection, but in the event that the College no longer participates in the Programs, the amounts are refundable to the federal government. The federal government's portion of these funds at June 30, 2020 and 2019 was approximately $277,000 and $304,000, respectively, which is recorded as Federal loan programs liability on the statements of financial position. In the event the College no longer participates in the Programs or the Programs are ended by the Federal Government, this liability would not be repaid immediately but over the years that loan repayments are received from student borrowers. The College matches and contributes funds to the Programs based upon the Federal Government requirements at the time the contribution is made.

The Extension Act amended Section 461 of the Higher Education Act to end the College 's authority to make new Perkins Loans after June 30, 2018. The College is not required to assign the outstanding Perkins Loans to the U.S. Department of Education or liquidate their Perkins Loan revolving funds due to the wind-down of the Perkins Loan Program, however, the College may choose to liquidate at any time in the future. As of June 30, 2020, the College continues to service the Perkins Loan Program.

The prescribed practices for the Programs do not provide for accrual of interest on student loans receivable. Accordingly, interest on loans is recorded as received and is reinvested to support additional loans; uncollectible loans are not recognized until the loans are canceled or written-off in conformity with the Programs' requirements. The impact of recording interest income on a cash basis is not considered material. In addition, the credit quality of the student is not evaluated after the initial approval and disbursement of the loans. Delinquent loans and the allowance for losses on loans receivable are reviewed by management, but are not material.

6. Property and Equipment

A summary of property and equipment at June 30 is as follows:

	2020		
	Cost	**Accumulated Depreciation**	**Net**
Land	$ 13,815,468	$ -	$ 13,815,468
Buildings and improvements	314,870,190	(112,894,892)	201,975,298
Equipment and vehicles	47,943,583	(35,607,527)	12,336,056
Construction in progress	4,156,159	-	4,156,159
Works of art, historical treasures and similar assets	463,215	-	463,215
	$ 381,248,615	$ (148,502,419)	$ 232,746,196

	2019		
	Cost	Accumulated Depreciation	Net
Land	$ 13,458,261	$ -	$ 13,458,261
Buildings and improvements	314,863,279	(104,414,052)	210,449,227
Equipment and vehicles	47,547,643	(34,389,825)	13,157,818
Construction in progress	2,733,280	-	2,733,280
Works of art, historical treasures and similar assets	463,215	-	463,215
	$ 379,065,678	$ (138,803,877)	$ 240,261,801

Depreciation expense for the years ended June 30, 2020 and 2019 was $12,482,481 and $12,381,651, respectively.

Construction in progress as of June 30, 2020 consisted primarily of construction costs related to turf replacement at the Grumbacher Center and new HVAC in various buildings on campus. Construction costs include any fees or permits needed, labor, and materials.

7. Notes Payable and Lines of Credit

In July 2014, the College entered into an agreement whereby a third-party service provider paid for building improvements on behalf of the College in exchange for the extension of an existing agreement through June 30, 2019. The transaction resulted in the recognition of a $2,283,964 note payable with an implicit interest rate of 2.0 percent. The College amortized $0 and $482,888 of the note payable during fiscal years 2020 and 2019, respectively and recognized $0 and $5,180 of interest expense during fiscal years 2020 and 2019, respectively. The offsetting credit is recognized as a reduction to auxiliary enterprises expenses in the fiscal year 2019 statement of activities. The building improvement was capitalized as an asset of the College of $2,283,964 and was fully depreciated as of June 30, 2019.

In January 2019, the College entered into an agreement whereby a third-party service provider paid for building improvements on behalf of the College in exchange for the extension of an existing agreement through June 30, 2022. Should the College terminate the agreement prior to June 30, 2022, it would be liable for the unamortized portion of the building improvements investment. The transaction resulted in the recognition of a $615,265 note payable with an implicit interest rate of approximately 2.5 percent. The College amortized $172,444 and $84,605 of the note payable during fiscal years 2020 and 2019, respectively, and recognized $11,413 and $7,324 of interest expense during fiscal years 2020 and 2019, respectively. The offsetting credit is recognized as a reduction to auxiliary enterprises expenses in fiscal year 2020 and 2019 statements of activities. The building improvement is capitalized as an asset of the College of $615,265 and is being depreciated over the term of the note.

During December 2008, the College entered into an unsecured line of credit arrangement with M&T Bank, which carries a maximum possible borrowing of $5,000,000. The loan has a variable interest rate that is 1 percent higher than London Interbank Offered Rate (LIBOR). As of June 30, 2020 and 2019, the College had $0 outstanding under the arrangement. The College did not borrow against the line of credit during fiscal years 2020 or 2019. Borrowings under the line of credit are payable on demand.

During April 2020, the College entered into an unsecured line of credit arrangement with M&T Bank, which carries a maximum possible borrowing of $13,580,000. Any loan associated with this line of credit has a variable interest rate of LIBOR plus 1.85 percent but in no event shall the rate be less than 2.85 percent. The line of credit expires on April 27, 2021. The College did not borrow against the line of credit during fiscal years 2020. Borrowings under the line of credit are payable on demand.

8. Bonds Payable

The following is a summary of bonds payable as of June 30:

	2020	2019
York College revenue bonds, series 2014 T2	$ 5,015,000	$ 5,385,000
York College revenue bonds, series 2014 T3	7,385,000	7,595,000
York College revenue bonds, series 2014 T4	8,565,000	9,080,000
York College revenue bonds, series 2015 NN2	21,465,000	22,665,000
York College revenue bonds, series 2016 OO3	15,655,000	15,655,000
York College revenue bonds, series 2017 PP4	20,470,000	20,470,000
Total bonds payable	78,555,000	80,850,000
Unamortized debt issuance costs	(1,009,836)	(1,078,964)
Unamortized bond premium	1,322,009	1,664,872
Unamortized bond discount	(238,343)	(252,576)
	$ 78,628,830	$ 81,183,332

2014 York College Revenue Bonds

During fiscal 2014, the College borrowed $26,065,000 through the issuance of tax-exempt revenue bonds (2014 Revenue Bonds, Series 2014 T2, T3 and T4) by the Pennsylvania Higher Education Facilities Authority pursuant to a financing program sponsored by the Association of Independent Colleges and Universities of Pennsylvania. The purpose of the bond issue was to redeem the College's outstanding Series 2011 I6 bonds, Series 2002 K2 bonds, Series 2004 M3 bonds and Series 2004 BB bonds. The 2014 Revenue Bonds are variable rate bonds and bear interest at a term rate, a weekly rate or a LIBOR rate, depending on the term under which the bonds are remarketed, with principal maturing in varying amounts through May 31, 2034.

The Series 2014 T2 bonds have a variable interest rate (2.875 percent and 2.05 percent at June 30, 2020 and 2019, respectively), with principal maturing in varying amounts through May 31, 2030. Issuance costs relating to the Series 2014 T2 bonds are being amortized over the term of the bonds. Unamortized bond issuance costs totaled $32,150 and $39,705 at June 30, 2020 and 2019, respectively.

The Series 2014 T3 bonds have a variable interest rate (2.85 percent at both June 30, 2020 and 2019), with principal maturing in varying amounts through May 31, 2034. Issuance costs relating to the Series 2014 T3 bonds are being amortized over the term of the bonds. Unamortized bond issuance costs totaled $73,293 and $90,560 at June 30, 2020 and 2019, respectively.

The Series 2014 T4 bonds have a variable interest rate (3.0 percent and 2.25 percent at June 30, 2020 and 2019, respectively), with principal maturing in varying amounts through May 31, 2033. Issuance costs relating to the Series 2014 T4 bonds are being amortized over the term of the bonds. Unamortized bond issuance costs totaled $61,838 and $85,424 at June 30, 2020 and 2019, respectively.

The 2014 T2, T3 and T4 bonds are variable rate demand bonds currently in 1-year, 3-year and 2-year terms, respectively, which will be required to be remarketed on May 1, 2021, 2021 and 2022, respectively. If bonds are not successfully remarketed, the College would be required to redeem the bonds.

Under the College's 2014 Revenue Bonds, Series 2014 T2, T3 and T4, the College must endeavor to secure a committed line of credit in the amount at least equal to 100 percent of the principal amount of the Bonds expected to be subject to mandatory purchase on each date of remarketing. The 2014 T2 and T4 bonds were successfully remarketed as of May 1, 2020.

2015 York College Revenue Bonds

During fiscal 2016, the College borrowed $24,125,000 through the issuance of tax-exempt revenue bonds (2015 Revenue bonds, Series 2015 NN2) by the General Authority of South Central Pennsylvania. The proceeds were used to redeem the College's outstanding Series 2005 EE bonds of $26,730,000. The Series 2015 NN2 bonds are fixed interest rate bonds ranging from 3.25 percent to 5.0 percent with principal maturing in varying amounts through November 1, 2032.

A net bond premium of $1,558,616 and issuance costs of $501,862 relating to the 2015 Revenue Bonds are being amortized over the term of the bonds. The unamortized net bond premium totaled $371,489 and $568,147 at June 30, 2020 and 2019, respectively. Unamortized bond issuance costs totaled $238,316 and $283,784 at June 30, 2020 and 2019, respectively.

2016 York College Revenue Bonds

During fiscal 2016, the College borrowed $15,655,000 through the issuance of tax-exempt revenue bonds (2016 Revenue bonds, Series 2016 OO3) by the York County Industrial Development Authority. The proceeds were used to redeem the College's outstanding Series 2007 GG2 of $15,945,000. The Series 2016 OO3 bonds are fixed interest rate bonds at 3.0 percent, with principal maturing in varying amounts through November 1, 2036.

A net bond discount of $295,199 and issuance costs of $437,306 relating to the 2016 Revenue Bonds are being amortized over the term of the bonds. The unamortized net bond discount totaled $238,343 and $252,576 at June 30, 2020 and 2019, respectively. Unamortized bond issuance costs totaled $341,470 and $365,462 at June 30, 2020 and 2019, respectively.

2017 York College Revenue Bonds

During fiscal 2018, the College borrowed $20,470,000 through the issuance of tax-exempt revenue bonds (2017 Revenue bonds, Series 2017 PP4) by the General Authority of South Central Pennsylvania. The proceeds were used to defease the College's outstanding Series 2011 II of $20,000,000. The series 2017 PP4 bonds are fixed interest rate bonds ranging from 3.0 percent to 5.0 percent, with principal maturing in varying amounts through November 1, 2041.

A net bond premium of $1,339,602 and issuance costs of $248,618 relating to 2017 Revenue bonds are being amortized over the term of the bonds. The unamortized net bond premium totaled $950,520 and $1,096,725 at June 30, 2020 and 2019, respectively. Unamortized bond issuance costs totaled $193,203 and $214,029 at June 30, 2020 and 2019, respectively.

The approximate aggregate amount of principal maturities of debt outstanding at June 30, 2020 for the five subsequent fiscal years follows:

Year ending June 30:	
2021	$ 2,785,000
2022	3,110,000
2023	3,240,000
2024	3,370,000
2025	3,515,000
Thereafter	62,535,000
	$ 78,555,000

Costs incurred in connection with debt financing are deferred and amortized over the term of the related debt. Amortization expense was $138,693 and $147,983 in 2020 and 2019, respectively, and is included in auxiliary enterprises expense on the statements of activities. During the year ended June 30, 2020, the College incurred $69,566 in deferred debt costs for a yet to be completed debt offering.

Interest expense on bonds payable was $2,415,141 and $2,412,320 for the years ended June 30, 2020 and 2019, respectively, and is included in auxiliary enterprises expense on the statements of activities. The 2020 and 2019 interest expense is net of capitalized interest of $0 and $17,739, respectively.

Under the terms of a debt agreement, the College is required to comply with a financial covenant associated with its bonds relating to maintenance of a debt service ratio. The College was in compliance with this covenant at June 30, 2020.

9. Self Funded Health Insurance

The College is self-insured for its employee health insurance coverage. The College accrues the estimated costs of incurred and reported and incurred but not reported claims, after consideration of its stop-loss insurance coverages, based upon data provided by the third-party administrator of the program and its historical claims experience. The College has accrued $494,666 and $587,804 at June 30, 2020 and 2019, respectively, for these costs, which is included in accrued salaries and benefits and other liabilities on the statements of financial position. The College also recorded receivables of $11,673 and $241,729 at June 30, 2020 and 2019, respectively, for stop-loss insurance reimbursement related to several claimants.

10. Net Assets

Net assets with and without donor restrictions at June 30, 2020 and 2019 consist of the following balances:

	2020	2019
Amounts without donor restrictions:		
Net investment in plant and equipment	$ 152,878,740	$ 157,685,204
Quasi-endowment	94,014,914	98,191,865
College loan funds	46,207	54,850
Designated for operations	500,000	500,000
Designated for strategic operations	63,064,815	57,173,923
Net assets without donor restrictions	310,504,676	313,605,842
Net assets with donor restrictions		
Amounts restricted by time or purpose:		
Amounts restricted by purpose:		
Beneficial interest in foundation	21,983,043	21,797,540
Accumulated gain on endowment funds	14,285,667	15,372,964
Annuities and other, net	1,981,346	3,114,086
	38,250,056	40,284,590
Amounts restricted by time	6,038,462	6,301,945
Total net assets restricted by purpose or time	44,288,518	46,586,535
Amounts with perpetual donor restrictions:		
Permanent endowment funds, income of which is used to support student scholarships	39,645,420	38,621,480
Endowment contributions receivable, net	2,213,645	1,946,358
	41,859,065	40,567,838
Funds held in trust by others	7,972,480	8,388,218
College loan funds	91,976	92,021
Total net assets with perpetual donor restrictions	49,923,521	49,048,077
Total net assets with donor restrictions	94,212,039	95,634,612
Total net assets	$ 404,716,715	$ 409,240,454

Net assets were released from donor restrictions by incurring expenses, the passage of time, or the occurrence of other events satisfying the restricted purposes specified by donors.

	2020	2019
Net assets released from restrictions for operations:		
Instruction	$ 43,472	$ 24,758
Academic support	596,998	905,171
Student services and stipends	550,004	308,406
Plant operations and maintenance	-	3,552
Scholarships	2,877,713	3,114,482
	4,068,187	4,356,369
Net assets released from restrictions for capital purposes	1,617,620	2,365,310
Total net assets released from restrictions	$ 5,685,807	$ 6,721,679

11. Endowment Funds

The College's endowment consists of approximately 400 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments (board-designated endowment funds). As required by U.S. GAAP, net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Changes in endowment net assets are as follows for the year ended June 30:			
Beginning endowment net assets	$ 98,191,865	$ 55,940,802	$ 154,132,667
Investment gain	1,438,820	792,435	2,231,255
Contributions and pledge payments	10,047	1,127,963	1,138,010
Appropriation of endowment net assets for expenditure	(5,624,820)	(1,952,608)	(7,577,428)
Other changes	(998)	236,140	235,142
Total	$ 94,014,914	$ 56,144,732	$ 150,159,646

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Changes in endowment net assets are as follows for the year ended June 30:			
Beginning endowment net assets	$ 98,529,701	$ 52,952,948	$ 151,482,649
Investment gain	5,441,436	2,955,131	8,396,567
Contributions and pledge payments	9,585	2,129,751	2,139,336
Appropriation of endowment net assets for expenditure	(5,765,388)	(2,093,253)	(7,858,641)
Other changes	(23,469)	(3,775)	(27,244)
Total	$ 98,191,865	$ 55,940,802	$ 154,132,667

Return Objectives and Risk Parameters

The College has adopted investment and spending policies for endowment assets that emphasize long-term appreciation of the assets and consistency of total portfolio returns. The return objectives shall be accomplished using: income requirements, liquidity, preservation of capital and preservation of purchasing power. The performance objectives will be measured against a five-year moving average of a balanced market index comprised of a long-term policy index based on target asset allocations.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the College relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The College targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Commonwealth of Pennsylvania law permits an annual allocation of a portion of endowment return to income. The law allows nonprofit organizations to spend a percentage of the market value of their endowment funds, including realized and unrealized gains. The percentage, which by law must be between 2 percent and 7 percent, is adopted annually by the Board of Trustees. The endowment market value is determined based on the average fair value spanning three years. With the exception of certain general scholarship funds, which allowed for a payout of 6 percent of the three-year moving average market value balance for the years ended June 30, 2020 and 2019, the College's policy for each of the years ended June 30, 2020 and 2019 allowed for a payout of 5 percent of the three-year average market value balance.

The College considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund;
2. The purposes of the College and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the College;
7. The investment policies of the College.

The College has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the College must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under these policies, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that attain an average annual real total return (i.e., adjusted for inflation and net of investment management fees) greater than the spending rate over the long term. This is consistent with the College's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return. Actual returns in any given year may vary from this amount.

12. Pension and Retirement Plans

The College maintains defined contribution retirement plans for academic and nonacademic personnel. Total College contributions for the years ended June 30, 2020 and 2019 were approximately $3,239,000 and $3,197,000, respectively.

13. Related-Party Transactions

During the years ended June 30, 2020 and 2019, the College paid approximately $1,198,000 and $3,013,000, respectively, to construction and architectural design companies partially owned by a current member of the Board of Trustees. As of June 30, 2020 and 2019, approximately $626,000 and $109,000, respectively, were payable to these companies.

14. Concentration of Credit Risk

Amounts on deposit in noninterest bearing accounts in any Federal Deposit Insurance Corporation (FDIC) financial institution are insured up to $250,000 by the FDIC. The College generally maintains deposits in noninterest bearing accounts.

15. Government Grants and Contract Scholarship Allowance

The amounts under the government grants and contracts and scholarship allowance captions in these financial statements do not include amounts remitted to students under the Pennsylvania Higher Education Assistance Agency (PHEAA) and other state programs and the PELL Grants Program. The grants are similar to agency funds since the College acts only as custodian and disbursing agent for these funds. Had these amounts been included, revenues and expenditures would have each increased by approximately $7,300,000 in both 2020 and 2019.

16. Fair Value Measurements

The College follows the FASB guidance related to fair value measurement. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance also establishes a valuation hierarchy for disclosure of the inputs to valuation used to measure fair value. The hierarchy prioritizes the inputs into three broad levels as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.

Level 3 - Prices or valuation techniques that are unobservable in the market and require significant management judgment or estimation to measure fair value.

The level within which the fair value measurement falls is determined based on the lowest level that is significant to the fair value measurement.

The following table presents the College's investments and funds held in trust by others measured at fair value on a recurring basis by level within the fair value hierarchy as of June 30, 2020:

	Total	Level 1	Level 2	Level 3
Investments:				
Diversifying equity funds:				
Natural resources	$ 4,563,480	$ 4,563,480	$ -	$ -
Commodities	1,562,130	1,562,130	-	-
U.S. government obligations	4,088,203	4,088,203	-	-
U.S. equities	40,558,300	40,558,300	-	-
Non U.S. equity funds:				
Emerging market funds	19,051,613	19,051,613	-	-
International funds	8,804,279	8,804,279	-	-
Cash and money market funds	2,089,222	2,089,222	-	-
Total investment in fair value hierarchy	80,717,227	$ 80,717,227	$ -	$ -
Investments measured at NAV	125,393,925			
Total investments	$ 206,111,152			
Funds held in trust by others	$ 7,972,480	$ -	$ -	$ 7,972,480
Beneficial interest in foundation	$ 21,983,043	$ -	$ -	$ 21,983,043

The following table presents the College's investments and funds held in trust by others measured at fair value on a recurring basis by level within the fair value hierarchy as of June 30, 2019:

	Total	Level 1	Level 2	Level 3
Investments:				
Diversifying equity funds:				
Natural resources	$ 5,170,217	$ 5,170,217	$ -	$ -
U.S. government obligations	3,804,585	3,804,585	-	-
U.S. equities	33,951,705	33,951,705	-	-
Non U.S. equity funds:				
Emerging market funds	17,976,728	17,976,728	-	-
International funds	7,336,540	7,336,540	-	-
Cash and money market funds	3,757,054	3,757,054	-	-
Total investment in fair value hierarchy	71,996,829	$ 71,996,829	$ -	$ -
Investments measured at NAV	145,024,943			
Total investments	$ 217,021,772			
Funds held in trust by others	$ 8,388,218	$ -	$ -	$ 8,388,218
Beneficial interest in foundation	$ 21,797,540	$ -	$ -	$ 21,797,540

Funds held in trust by others are invested in securities with quoted prices in active markets. Such assets are not directly owned or controlled by the College as they are managed by others. These assets are valued based on the present value of the estimated future cash flows of the underlying investments. Such assets are valued using Level 3 inputs.

Beneficial interest in foundation represents the asset value of a supporting organization of the College. Such assets are not directly owned or controlled by the College. These assets are principally valued based on a valuation of stock of a privately owned company.

The following table presents a reconciliation of the beginning and ending balances of assets with fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2020:

	Funds Held in Trust by Others	Beneficial Interest in Foundation
Balance, July 1, 2019	$ 8,388,218	$ 21,797,540
Total realized and unrealized gains included in change in net assets	28,989	185,503
Liquidations	(444,727)	-
Balance, June 30, 2020	$ 7,972,480	$ 21,983,043

The following table presents a reconciliation of the beginning and ending balances of assets with fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2019:

	Funds Held in Trust by Others	Beneficial Interest in Foundation
Balance, July 1, 2018	$ 8,431,441	$ 21,639,219
Total realized and unrealized gains included in change in net assets	355,111	158,321
Liquidations	(398,334)	-
Balance, June 30, 2019	$ 8,388,218	$ 21,797,540

In addition to the disclosures of investments recorded at fair value, U.S. GAAP requires the disclosure of the estimated fair value of all the College's financial instruments. The College has considered the fair value measurement criteria as required under the guidance as described above. Fair value estimates have been determined based on the methodologies management considers most appropriate for each financial instrument.

The College has a policy which permits investments that do not have a readily determinable fair value and, as such, has elected to use the net asset value (the NAV) per share as calculated on the reporting entity's measurement date as the fair value of the investment. The College measures the fair value of an investment that does not have a readily determinable fair value, based on the NAV of the investment as a practical expedient, without further adjustment, unless it is probable that the investment will be sold at a value significantly different than the NAV. If the practical expedient NAV is not as of the reporting entity's measurement date, then the NAV is adjusted to reflect any significant events that would materially affect the value of the security and the NAV of the College as of the valuation date. In using the NAV as a practical expedient, certain attributes of the investment, that may impact the fair value of the investment, are not considered in measuring fair value. Attributes of those investments include the investment strategies of the investees and may also include, but are not limited to, restrictions on the investor's ability to redeem its investments at the measurement date at NAV, as well as any unfunded commitments.

A listing of the investments held by the College and their attributes, that may qualify for these valuations consist of the following as of:

	June 30, 2020 Fair Value	June 30, 2019 Fair Value	June 30, 2020 Unfunded Commitments	Redemption Frequency	Redemption Notice Period
U.S. equity funds:					
Large cap index fund [(a)]	$ 4,182,887	$ 9,348,015	$ -	Daily	2 days
Large cap managed fund [(a)]	17,949,659	16,042,252	-	Quarterly	60 days
Non U.S. equity funds:					
International funds [(a)]	18,337,492	25,076,507	-	Daily	2 days
Money markets [(a)]	305,747	317,444	-	Daily	Daily
U.S. fixed income fund	39,113,519	44,799,172	-	Daily	Daily
Equity long/short hedge funds [(b)]	23,506,446	24,112,553	1,062,985	See (b) below	
Mortgage related security funds [(c)]	1,707,152	1,815,639	-	See (c) below	
Private equity funds, domestic [(d)]	9,738,612	9,635,040	733,229	See (d) below	
Private equity funds, international [(e)]	7,192,781	7,047,913	2,932,033	See (e) below	
Real estate securities and other [(f)]	3,359,630	6,830,408	968,334	See (f) below	
	$ 125,393,925	$ 145,024,943	$ 5,696,581		

(a) This category principally includes investment in a pool of assets held and managed by an investment manager. These investments are reported by their respective managers using the NAV per share and are measured at fair value based on quoted market prices of the underlying investments. These investments can be liquidated within a period ranging from daily up through a fiscal quarter.

(b) This category principally includes investments in globally, diversified, multi-strategy hedge funds. The fair values of the investments in this category are based on the valuations provided to the fund of funds by the underlying fund managers, and these valuations are in turn based on the portfolio holdings of these mangers. Approximately 85% of these funds have quarterly liquidity and require a 75 day notice period. The remainder of the investments cannot be redeemed and it is estimated that the underlying assets of the funds will be liquidated over the next 8-10 years.

(c) This category includes investments in a single fund which invests in long residential mortgage-backed securities with distressed collateral. Approximately 99 percent of the fair values of these investments are marked to market using the mean price provided by a third-party pricing agency. These investments cannot be redeemed, and it is estimated that the underlying assets of the fund will be liquidated over the next 10 - 15 years.

(d) This category includes various private equity funds of funds that invest in underlying direct private equity and venture capital partnerships. These, in turn, invest directly in primarily U.S. companies. The recorded value represents the College's proportionate share of the NAV reported by the fund of funds. Since the underlying investments generally are nonpublic companies, fair values have been estimated using recent observable transaction information for similar transactions and nonbinding bids received from potential buyers of the investments. These investments cannot be redeemed. Distributions are received through the liquidation of the underlying assets of each fund of the underlying funds. It is estimated that the underlying assets of these funds will be liquidated over the next 8 - 10 years.

(e) Similar to (d); however, investments are primarily in international companies.

(f) This category includes several real estate funds of funds that invest in direct real estate partnerships, primarily focused on U.S. commercial real estate. The fair values of the investments in this category have been estimated using the College's proportionate share of the NAV reported by the fund of fund manager. This NAV is based on fair value estimates of the underlying investments based on comparable transaction data and/or appraisals. These investments can never be redeemed with funds. Distributions from each fund will be received as the underlying investments in the funds are liquidated. It is estimated that the underlying assets of the fund will be liquidated over the next 10 years.

17. Commitments and Contingencies

The College uses operating leases to provide certain equipment and real estate in the normal course of its operations. The equipment leases relate principally to copier machines. The following is a schedule by years of future minimum rental payments required under operating leases that have an initial or remaining noncancelable lease term in excess of one year as of June 30, 2020:

Year ending June 30:		
2021	$	49,420
2022		20,592
	$	70,012

The College recognized total rental expense of $50,534 and $59,942 during the years ended June 30, 2020 and 2019, respectively.

The College is involved in various legal proceedings and claims that have arisen in the normal conduct of its operations. Management views as remote the probability that outcomes related to these legal proceedings and claims could have a materially adverse effect on the College's financial condition.

18. Liquidity

The College's working capital and cash flows fluctuate during the year due to the timing of tuition receipts and major contributions. To manage liquidity, the College invests cash in excess of daily requirements in readily marketable securities. To help manage unanticipated liquidity needs the College has unrestricted investments which could be made available as necessary. The College also had available $18,580,000 and $5,000,000 in short-term lines of credit at June 30, 2020 and 2019, respectively. During the years ended June 30, 2020 and 2019 the lines of credit were not utilized.

The College's financial assets available for general use at June 30:

	2020	2019
Financial assets available	$ 236,937,192	$ 235,047,863
Less:		
Donor restricted pledge receivables	(8,276,118)	(8,242,060)
Donor restricted endowment funds	(56,144,732)	(55,940,802)
Subtotal	172,516,342	170,865,001
Less endowment funds, board-designated for specific purposes	(94,014,914)	(98,191,865)
Financial assets available to meet cash needs for general expenditures within one year	$ 78,501,428	$ 72,673,136

19. Subsequent Events

The College evaluated its June 30, 2020 financial statements for subsequent events through October 9, 2020, the date the financial statements were available to be issued. The College is not aware of any subsequent events which would require recognition or disclosure in the financial statements other than that which has been identified below.

Subsequent to June 30, 2020, the College made a $10 million commitment to a private equity fund. This commitment is expected to be funded over an estimated five year period by the sale of existing investments in the College’s investment pool.

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APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "***Disclosure Certificate***") is executed and delivered as of April 30, 2021 by YORK COLLEGE OF PENNSYLVANIA, a Pennsylvania nonprofit corporation (the "***Borrower***"), in connection with the issuance by the General Authority of Southcentral Pennsylvania (the "***Issuer***") of $10,715,000 in principal amount of its Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2021 TT2 (the "***Bonds***"). The Bonds are being issued pursuant to the terms of a Trust Indenture dated as of April 1, 2021 (the "***Indenture***") between the Issuer and The Bank of New York Mellon Trust Company, N.A., in its capacity as trustee for the holders of the Bonds (in such capacity, together with any successor trustee, the "***Trustee***").

NOW THEREFORE, intending to be legally bound hereby, the Borrower hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered for the benefit of the registered owners and Beneficial Owners (hereinafter defined) of the Bonds and in order to assist the Participating Underwriter (hereinafter defined) in complying with the Rule (hereinafter defined).

SECTION 2. Definitions. In addition to the capitalized terms set forth above and the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"***Annual Report***" shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"***Beneficial Owner***" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"***Business Day***" shall mean any day other than a Saturday, Sunday or a day on which the New York Stock Exchange is closed.

"***Commonwealth***" shall mean the Commonwealth of Pennsylvania.

"***Disclosure Representative***" shall mean the President of the Borrower or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

"***Dissemination Agent***" shall mean the party appointed by the Borrower pursuant to the provisions of this Disclosure Certificate to perform the duties described herein to ensure compliance with the provisions of the Rule. Initially, the Borrower shall perform all duties of the Dissemination Agent hereunder and no third party has been appointed by the Borrower as Dissemination Agent. During any period in which the Borrower is performing the duties of the Dissemination Agent hereunder, all references in this Disclosure Certificate to "Dissemination Agent" shall mean the Borrower unless the context otherwise requires.

"***EMMA***" or the "***EMMA System***" shall mean the Electronic Municipal Market Access system maintained by the MSRB (or any successor electronic filing system established in accordance with the

Rule for the submission of information required to be filed under the Rule). As of the date of this Disclosure Certificate, information regarding submissions to the MSRB through EMMA is available at http://emma.msrb.org/submission.

"***Financial Obligation***" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"***Generally Accepted Accounting Principles***" means those accounting principles applicable in the preparation of financial statements of educational institutions, as promulgated by the Financial Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants or any successor body.

"***Issuance Date***" means April 30, 2021, the date of issuance and delivery of the Bonds.

"***Listed Event***" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"***Loan Agreement***" shall mean the Loan Agreement, dated as of April 1, 2021, between the Borrower and the Issuer.

"***MSRB***" shall mean the Municipal Securities Rulemaking Board.

"***Obligated Person***" shall mean, at any applicable time, each "obligated person" (as that term is defined in paragraph (f)(10) of the Rule) with respect to the Bonds. As of the Issuance Date, "Obligated Person" means the Borrower. The Borrower has determined that as of the Issuance Date, there are no "obligated persons" with respect to the Bonds for purposes of the Rule other than the Borrower, and that the Issuer is not an "obligated person" with respect to the Bonds for purposes of the Rule.

"***Official Statement***" shall mean the Official Statement relating to the Bonds, dated April 14, 2021.

"***Participating Underwriter***" shall mean Stifel, Nicolaus & Company, Incorporated, as the underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"***Repository***" shall mean each nationally recognized municipal securities information repository for purposes of the Rule. The SEC has appointed EMMA as the sole Repository effective as of July 1, 2009.

"***Rule***" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"***SEC***" shall mean the United States Securities and Exchange Commission.

SECTION 3. Provision of Annual Reports.

(a) In accordance with the requirements of the Rule, the Borrower shall deliver, or shall provide to the Dissemination Agent and shall cause the Dissemination Agent to deliver, to the Repository not later than 60 days after the date on which the Borrower's Board of Trustees shall have approved the Borrower's audited financial statements for the preceding fiscal year, commencing with the fiscal year ending June 30, 2021, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate; provided, that in no event will the Borrower's audited financial statements be published by the Borrower later than nine (9) months following the end of the related fiscal year. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the financial statements of the Borrower may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report, if submitted in accordance with the provisions of Section 4. If the fiscal year of the Borrower changes, the Borrower shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) If the Dissemination Agent receives the Annual Report from the Borrower and delivers the Annual Report to the Repository, the Dissemination Agent shall file a report with the Issuer and, if the Dissemination Agent is not the Trustee, with the Trustee (with a copy to the Borrower) to the effect that the Annual Report has been so delivered pursuant to this Disclosure Certificate and stating the date it was delivered. If the Borrower delivers the Annual Report directly to the Repository, it shall provide a report to the same effect to the Issuer, the Dissemination Agent and, if the Dissemination Agent is not the Trustee, to the Trustee.

(c) If the Borrower fails either to (i) provide the Annual Report to the Dissemination Agent in a time, manner and condition sufficient for the Dissemination Agent to deliver the Annual Report in compliance with Section 3(a), or (ii) report to the Dissemination Agent that it has on its own so delivered the Annual Report, the Dissemination Agent shall in a timely manner send a notice to the Repository (and copies thereof to the Issuer and the Borrower) in substantially the form attached as Exhibit A attached hereto.

SECTION 4. <u>Content of Annual Reports.</u> The Annual Reports shall contain or include by reference the following:

(a) The audited financial statements of the Borrower for the prior fiscal year prepared in accordance with Generally Accepted Accounting Principles. If such financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain preliminary financial statements in a format similar to the financial statements contained in the Official Statement, and the final financial statements shall be filed in the same manner as the Annual Report when they become available. Notwithstanding the foregoing, the Borrower may change the accounting principles used for preparation of the audited financial statements so long as the Borrower includes, in its next Annual Report as part of the information set forth therein, a statement to the effect that different accounting principles are being used, stating the reason for such change and providing a method by which to compare the financial information provided by the differing financial accounting principles.

(b) Operating data and financial information regarding the Borrower for the prior fiscal year of the same type as included in Appendix A to the Official Statement under the headings in the tables in Appendix A to the Official Statement, under the headings "Admissions and Enrollment" excluding SAT data if the College has not required standardized tests in such year, "Financial Information Summary" and "College Indebtedness".

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Borrower is an Obligated Person, which have been filed with the Repository or the SEC. If the document included by reference is a final official statement, it must be available from the MSRB. The Borrower shall clearly identify each such other document so included by reference. In the event the Borrower's audited financial statements for the fiscal year which have been provided pursuant to Section 3 of this Disclosure Certificate together with audited financial statements for other fiscal years which have been filed with the Repository or SEC contain any of the information described in clause (b) above, the related requirement of this Section 4 shall be deemed to be satisfied with respect to including such information in the Borrower's Annual Report provided that the aforementioned specific reference to the financial statements containing such information is included in the filing.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Borrower shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds (each a "***Listed Event***") in a timely manner not in excess of ten (10) Business Days after the occurrence of the Listed Event (provided that the term "material" when used in this Section 5 with regard to an event or occurrence means that the applicable Obligated Person has determined that such event or occurrence is material within the meaning of the Rule):

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements, if any, reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, if any, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;

(vii) Modification to the rights of the registered owners and Beneficial Owners of the Bonds, if material;

(viii) Bond calls (other than mandatory sinking fund redemption), if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution or sale of property securing repayment of the Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Borrower;

(xiii) The consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Borrower, any of which affects holders of the Bonds, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Borrower, any of which reflect financial difficulties.

The Listed Events listed in clauses (i) through (xvi) above are quoted from the Rule. Not all Listed Events listed above may be applicable to the Bonds.

(b) Whenever the Borrower obtains knowledge of the occurrence of a Listed Event, the Borrower shall promptly prepare a notice describing the Listed Event and notify the Dissemination Agent, if any, and the Issuer in writing, and either report or instruct the Dissemination Agent to report, the occurrence to the Repository, or to the MSRB. Promptly upon receipt of such notice, the Dissemination Agent shall file it with the Repository, or with the MSRB, as instructed in writing by the Borrower, with a copy to the Issuer and, if the Dissemination Agent is not the Trustee, with the Trustee.

SECTION 6. Termination of Reporting Obligations. The Borrower's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Borrower's obligations under the Loan Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the Borrower and the Borrower shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination or substitution in the same manner as a Listed Event under Section 5.

SECTION 7. Dissemination Agent. Initially the Borrower has not appointed a third party Dissemination Agent, but instead shall comply with all of the requirements of this Disclosure Certificate. In the event the Borrower appoints a third party to serve as Dissemination Agent, the provisions of Section 12 hereof and the following provisions shall apply to such Dissemination Agent:

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report, including, without limitation, any Annual Report, prepared by the Borrower pursuant to this Disclosure Certificate.

(b) The Borrower may, from time to time, appoint or engage a new Dissemination Agent, and may discharge any such Dissemination Agent, upon the appointment of a successor Dissemination Agent which shall be evidenced and be effective upon such successor Dissemination Agent's execution and delivery to the Issuer and the existing Dissemination Agent of a Form of Acceptance of Dissemination Agent's Duties substantially in the form attached hereto as Exhibit B.

(c) The Borrower shall be responsible for all fees and associated expenses of the Dissemination Agent.

SECTION 8. The Issuer. The Issuer shall not have any responsibility or liability in connection with the Borrower's compliance with the Rule, its filing or other obligations under this Disclosure Certificate, or in connection with the contents of any such filings. The Borrower covenants and agrees to indemnify and save the Issuer, and its members, officers, employees and agents, harmless against any loss, expense (including reasonable attorneys' fees) or liability arising out of (i) any breach by the Borrower of its obligations under this Disclosure Certificate, or (ii) any Annual Report or notices or other information provided under this Disclosure Certificate or any omissions therefrom.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Borrower and the Dissemination Agent (if any) may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, provided that no amendment shall subject the Issuer to any additional obligations or liabilities, and, provided further, that the Borrower has received an opinion of a nationally recognized disclosure counsel to the effect that such amendment or waiver would not, in and of itself, cause the undertakings set forth herein to violate the requirements of the Rule if such amendment or waiver had been effective at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances.

In addition, in the event the Borrower appoints a third party to serve as Dissemination Agent, this Disclosure Certificate may be amended to include such provisions relating to the duties and rights of the Dissemination Agent as may be agreed to by the Borrower and the Dissemination Agent.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Borrower shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Borrower shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Borrower to comply with any provision of this Disclosure Certificate, the Issuer or any third party serving as Dissemination Agent may, or at the written request of the Participating Underwriter or the registered owners of at least 25% of the aggregate principal amount of outstanding Bonds and the provision of indemnification satisfactory to it, the

Dissemination Agent shall, or any registered owner or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Borrower to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the Borrower or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. In the event the Borrower has appointed a third party to serve as Dissemination Agent, Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Indenture and applicable to the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and no further duties or responsibilities shall be implied. The Dissemination Agent shall not have any liability under, nor duty to inquire into the terms and provisions of, any agreement or instructions, other than as outlined in this Disclosure Certificate. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The Dissemination Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document. The Dissemination Agent shall not be liable for any action taken or omitted by it in good faith unless a court of competent jurisdiction determines that the Dissemination Agent's negligent or willful misconduct was the primary cause of any loss to the Borrower. The Dissemination Agent shall not incur any liability for following the instructions herein contained or expressly provided for, or written instructions given by the Borrower. In the administration of this Disclosure Certificate, the Dissemination Agent may execute any of its powers and perform its duties hereunder directly or through agents or attorneys and may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Dissemination Agent shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons. The Dissemination Agent may resign and be discharged from its duties or obligations hereunder by giving notice in writing of such resignation specifying a date when such resignation shall take effect. Any corporation or association into which the Dissemination Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Dissemination Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Dissemination Agent in its individual capacity may be sold or otherwise transferred, shall be the Dissemination Agent under this Disclosure Certificate without further act. The Borrower covenants and agrees to hold the Dissemination Agent and its directors, officers, agents and employees (collectively, the "***Indemnitees***") harmless from and against any and all liabilities, losses, damages, fines, suits, actions, demands, penalties, costs and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, the allocated costs and expenses of in-house counsel and legal staff and the costs and expenses of defending or preparing to defend against any claim ("***Losses***") that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Dissemination Agent is authorized to rely pursuant to the terms of this Disclosure Certificate. In addition to and not in limitation of the immediately preceding sentence, the Borrower also covenants and agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Dissemination Agent's performance under this Disclosure Certificate provided the Dissemination Agent has not acted with gross negligence or engaged in willful misconduct. Anything in this Disclosure Certificate to the contrary notwithstanding, in no event shall the Dissemination Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Dissemination Agent has been advised of such loss or damage and regardless of the form of action. The obligations of the Borrower under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 13. Notices. Any notices or communications to or between the parties to this Disclosure Certificate shall be deemed sufficiently given if sent by registered or certified United States mail, return receipt requested, postage prepaid, by overnight delivery service providing positive tracking or by telecopier with a duplicate hard copy sent by overnight delivery service providing positive tracking as follows:

To the Borrower:

York College of Pennsylvania
441 Country Club Road
York, PA 17403-3651
Attention: C. Matthew Smith
Chief Financial Officer

To the Trustee:

The Bank of New York Mellon Trust Company, N.A.
Global Corporate Trust
1735 Market Street, 9th Floor AIM No. 193-0950
Philadelphia, PA 19103
Attention: Noreen Wichert

To the Issuer:

General Authority of Southcentral Pennsylvania
c/o York County Economic Development Corporation
144 Roosevelt Avenue
York, PA 17401
Attention: Chairman

Any party may, by written notice to the other parties, designate a different address or telecopier number to which subsequent notices or communications should be sent.

In addition, notices and other communications to the parties hereto may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the party receiving such notice.

SECTION 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Borrower, the Dissemination Agent, the Issuer, the Participating Underwriter, and registered owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which will be regarded as an original, and all of which will constitute one and the same document.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Continuing Disclosure Certificate has been executed and delivered on the date first above written.

YORK COLLEGE OF PENNSYLVANIA

By:____
Title: Chief Financial Officer

This execution page is part of the Continuing Disclosure Certificate executed and delivered by York College of Pennsylvania, respecting the General Authority of Southcentral Pennsylvania Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2021 TT2.

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	General Authority of Southcentral Pennsylvania
Name of Bond Issue/CUSIP:	$10,715,000 General Authority of Southcentral Pennsylvania Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2021 TT2 CUSIP: 84129N__
Date of Issuance:	April 30, 2021

NOTICE IS HEREBY GIVEN that York College of Pennsylvania has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate dated as of April 30, 2021. The Annual Report is expected to be filed on or about ____________________.

Dated:___________________________

cc: York College of Pennsylvania
General Authority of Southcentral Pennsylvania

EXHIBIT B

FORM OF ACCEPTANCE OF DISSEMINATION AGENT'S DUTIES

__________________________ hereby accepts and assumes all of the duties and obligations as Dissemination Agent under that certain Continuing Disclosure Certificate, dated as of April 30, 2021, executed and delivered by York College of Pennsylvania, respecting the General Authority of Southcentral Pennsylvania Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project) Series 2021 TT2.

[NAME OF SUCCESSOR
DISSEMINATION AGENT]

By:____
Authorized Officer

Dated: _______________________

cc: General Authority of Southcentral Pennsylvania
York College of Pennsylvania

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APPENDIX D

FORM OF PROPOSED OPINION OF BOND COUNSEL

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April 30, 2021

General Authority of Southcentral Pennsylvania
144 Roosevelt, Avenue, Suite 100
York, PA 17401

The Bank of New York Mellon Trust Company,
N.A., as Trustee
1735 Market Street – 9th Floor
Philadelphia, PA 19103

Stifel, Nicolaus & Company, Incorporated
651 Holiday Drive, Suite 110
Pittsburgh, PA 15220

Re: $10,715,000 General Authority of Southcentral Pennsylvania Revenue Bonds
(AICUP Financing Program – York College of Pennsylvania Project), Series 2021 TT2

Ladies and Gentlemen:

We have acted as Bond Counsel to the General Authority of Southcentral Pennsylvania (the "Issuer") in connection with the issuance of $10,715,000 aggregate principal amount of its Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project), Series 2021 TT2 (the "Bonds"). The Bonds are issued under and pursuant to the provisions of the Pennsylvania Municipality Authorities Act, 53 PA.C.S.A. §5601 *et seq*., as amended (the "Act") and a Trust Indenture (the "Indenture"), dated as of April 1, 2021 between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Bonds are being issued pursuant to a financing program sponsored by the Association of Independent Colleges and Universities of Pennsylvania to provide funds to be loaned to York College of Pennsylvania (the "College") to finance the costs of a project (the "Project") for the benefit of the College consisting of: (i) the refunding of the Pennsylvania Higher Educational Facilities Authority Multi-Mode Revenue Bonds (AICUP Financing Program – York College of Pennsylvania Project), Series 2014 T2 and Series 2014 T3 (collectively, the "Prior Bonds"); and (ii) the payment of certain costs of issuing the Bonds.

The Issuer and the College have entered into a Loan Agreement dated as of April 1, 2021 (the "Loan Agreement") providing for the loan of the proceeds of the Bonds to the College to pay certain costs of the Project. Under the Loan Agreement, the College is unconditionally obligated to make loan payments in the amounts and at the times necessary to pay, when due, the principal or redemption price of and interest on the Bonds. The Issuer has assigned certain of its interests under the Loan Agreement, including its right to receive payments thereunder in respect of the Bonds, to the Trustee for the benefit of the holders of the Bonds.

The College has represented in the Loan Agreement that it is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), is not a "private foundation" within the meaning of Section 509(a) of the Code, and is exempt from federal income tax under Section 501(a) of the Code. The College has covenanted that it will maintain its status as a 501(c)(3) organization under the Code and will take whatever actions are necessary to continue to be organized and operated in a manner which will preserve and maintain its status as an organization which is described in Section 501(c)(3) of the Code and exempt from federal income taxes under Section 501(a) of the Code (except as to unrelated business income).

The Code sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to remain excludable from the gross income of the owners of the Bonds for federal income tax purposes. The Issuer and the College have covenanted to comply with such requirements. Noncompliance with such requirements may cause the interest on the Bonds to be includible in the gross income of the owners of the Bonds for federal income tax purposes, retroactive to the date of issue of the Bonds or as of some later date. Under the Loan Agreement, the College has covenanted that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds under Section 103(a) of the Code. For the purposes of the opinions set forth below, we have assumed that the Issuer and the College will comply with the covenants set forth in the Loan Agreement relating to the tax-exempt status of the Bonds.

An officer of the Issuer responsible for issuing the Bonds and an authorized officer of the College have each executed a certificate stating the reasonable expectations of the Issuer and the College on the date of issue of the Bonds as to future events that are material for the purposes of Section 148 of the Code pertaining to arbitrage bonds. Also, the Issuer has caused or will cause to be filed with the Internal Revenue Service a report of the issuance of the Bonds as required by Section 149(e) of the Code as a condition of the exclusion from gross income of the interest on the Bonds.

In our capacity as Bond Counsel we have examined such documents, records of the Issuer and other instruments as we deemed necessary to enable us to express the opinions set forth below, including original counterparts or certified copies of the Indenture, the Loan Agreement and the other documents listed in the Closing Index in respect of the Bonds filed with the Trustee. We also have examined an executed Bond and assume that all other Bonds have been similarly executed and have been authenticated by the Trustee. In rendering the opinions set forth below, we have relied upon the opinion, dated the date hereof, of Barley Snyder LLP, counsel to the Borrower, as to the matters set forth in such opinion, without independent investigation of such matters.

Based on the foregoing, it is our opinion that:

1. The Issuer is a body corporate and politic validly existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), with full power and authority under the Act to undertake the financing of the Project, to execute, deliver and perform its obligations under the Loan Agreement and the Indenture, and to issue and sell the Bonds.

2. The Loan Agreement and the Indenture have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their

respective terms, except as the rights created thereunder and the enforcement thereof may be limited by bankruptcy, insolvency or other laws or equitable principles affecting the enforcement of creditors' rights generally.

3. The issuance and sale of the Bonds have been duly authorized by the Issuer and, on the assumption as to execution and authentication stated above, such Bonds have been duly executed and delivered by the Issuer and authenticated by the Trustee, and are legal, valid and binding limited obligations of the Issuer entitled to the benefit and security of the Indenture, except as the rights created thereunder and enforcement thereof may be limited by bankruptcy, insolvency or other laws or equitable principles affecting the enforcement of creditors' rights generally.

4. Under the laws of the Commonwealth as presently enacted and construed, interest on the Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax.

5. Assuming the accuracy of the certifications of the Issuer and the College and their continuing compliance with the requirements of the Code, interest on the Bonds is excludable from gross income for purposes of federal income taxation under existing laws as enacted and construed on the date hereof. Interest on the Bonds is not an item of specific tax preference for purposes of alternative minimum tax imposed on individuals. We express no opinion regarding other federal tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

We have not been engaged to express and do not express any opinion herein with respect to the adequacy of the security for the Bonds or the sources of payment for the Bonds or with respect to the accuracy or completeness of any offering document or other information pertaining to the offering for sale of the Bonds or as to any other matter not set forth herein.

We call your attention to the fact that the Bonds are limited obligations of the Issuer payable only out of payments to be made by the College pursuant to the Loan Agreement and certain other moneys available therefor, and that the Bonds do not pledge the credit or taxing power of the County of York, the Commonwealth or any political subdivision thereof. The Issuer has no taxing power.

Very truly yours,

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THE ASSOCIATION OF INDEPENDENT COLLEGES AND UNIVERSITIES OF PENNSYLVANIA*

Albright College
Allegheny College
Alvernia College
Arcadia University
Bryn Athyn College
Bryn Mawr College
Bucknell University
Cabrini University
Cairn University
Carlow University
Carnegie Mellon University
Cedar Crest College
Chatham University
Chestnut Hill College
Clarks Summit University
Delaware Valley University
DeSales University
Dickinson College
Drexel University
Duquesne University
Eastern University
Elizabethtown College
Franklin & Marshall College
Gannon University
Geisenger Commonwealth School of Medicine
Geneva College
Gettysburg College
Gratz College
Grove City College
Gwynedd Mercy University
Harcum College
Harrisburg University of Science and Technology
Haverford College
Holy Family University
Immaculata University
Jefferson (Philadelphia University + Thomas Jefferson University
Johnson College
Juniata College
Keystone College
King's College
LaRoche College
LaSalle University
Lackawanna College
Lafayette College
Lake Erie College of Osteopathic Medicine
Lancaster Bible College
Lebanon Valley College
Lehigh University
Lycoming College
Manor College
Marywood University
Mercyhurst University
Messiah College
Misericordia University
Moore College of Art & Design
Moravian College
Mount Aloysius College
Muhlenberg College
Neumann University
Peirce College
Pennsylvania Academy of the Fine Arts
Pennsylvania College of Art & Design
Pennsylvania College of Health Sciences
Pennsylvania Institute of Technology
Philadelphia College of Osteopathic Medicine
Point Park University
Robert Morris University
Rosemont College
Saint Francis University
Saint Joseph's University
Saint Vincent College
Salus University
Seton Hill University
Susquehanna University
Swarthmore College
Thiel College
University of Pennsylvania
University of the Sciences
The University of Scranton
The University of the Arts
Ursinus College
Valley Forge Military College
Villanova University
Washington & Jefferson College
Waynesburg University
Westminster College
Widener University
Wilkes University
Wilmington University
Wilson College
The Wistar Institute
York College of Pennsylvania

* Neither AICUP nor any AICUP member, other than any AICUP member in its individual capacity as the borrower of proceeds of a particular series of bonds issued in this financing program, has any liability for the repayment of any such series of bonds, or the loan of bond proceeds to the borrower.

YORK COLLEGE
OF PENNSYLVANIA