Revenue Recognition Policy

SOP #: FIN.017.03

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>8/1/17</th>
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<tr>
<td>Last Revision/Review</td>
<td>Reviewed 11/19/21, 4/28/23, 5/31/24</td>
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1. Purpose
To ensure compliance with generally accepted accounting principles.

2. Related Policy/Authority
Policy B3011 Fiscal Management

3. Faculty/Staff Responsibilities
Vice President of Administration/CFO is responsible to ensure that an overall structure of sound internal controls is implemented, GAAP is followed in all accounting, and that all external regulations and requirements for routine business transactions are addressed in the control and reporting structure.

The VP of Administration/CFO is responsible to periodically review the structure and implementation of internal controls, and to regularly review all financial reports presented to the BCOM Investment Partners, LLC Members, the Board of Trustees, the Debt Trustee, and any governmental agency or accrediting body.

The Controller is responsible for the implementation and oversight of these procedures.

4. Definitions/Abbreviations
None

5. Procedural Steps
Revenue is recognized on a pro-rated basis upon each semester. There are two cycles of revenue per each student year designation.

Year 1 Student

- Fall Semester (July through December)
  - Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as designated in refund policy.
- Spring Semester (January through May)
  - Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as designated in refund policy.

Year 2 Student

- Fall Semester (June through December)
  - Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as designated in refund policy.
• Spring Semester (January through May)
  o Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as
designated in refund policy.

Year 3 Student
• Fall Semester (July through December)
  o Tuition & Fees shall be recognized at a rate of 1/6 less applicable refund rate as
designated in refund policy.
• Spring Semester (January through June)
  o Tuition & Fees shall be recognized at a rate of 1/6 less applicable refund rate as
designated in refund policy.

Year 4 Student
• Fall Semester (July through December)
  o Tuition & Fees shall be recognized at a rate of 1/6 less applicable refund rate as
designated in refund policy.
• Spring Semester (January through April)
  o Tuition & Fees shall be recognized at a rate of 1/4 less applicable refund rate as
designated in refund policy.

6. Reports/Charts/Forms/Attachments/Cross References
N/A

7. Maintenance
Office of the Controller; updated whenever an external reporting requirement is added or changed.

8. Signature
Approved by 5.31.2024
VP Administration/CFO Date

9. Distribution List
Internal/External

10. Revision History
<table>
<thead>
<tr>
<th>Revision Date</th>
<th>Subsection #</th>
<th>Summary of Changes</th>
<th>New/Cancellation/Replacement Procedure? (if applicable)</th>
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<tr>
<td>4.28.23</td>
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<td>Updated titles</td>
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