



**CLEMSON UNIVERSITY
NCAA REPORT**

Independent Accountants' Report on
Applying Agreed-upon Procedures

June 30, 2006

State of South Carolina



Office of the State Auditor

1401 MAIN STREET, SUITE 1200
COLUMBIA, S.C. 29201

RICHARD H. GILBERT, JR., CPA
DEPUTY STATE AUDITOR

(803) 253-4160
FAX (803) 343-0723

October 20, 2006

The Honorable Mark Sanford, Governor
and
Members of the Board of Trustees
Clemson University
Clemson, South Carolina

This report on the application of certain agreed-upon procedures to the accounting records and the statement of revenues, expenditures, and transfers of the Intercollegiate Athletics Program of Clemson University for the fiscal year ended June 30, 2006, was issued by KPMG, LLP, Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard H. Gilbert Jr.", written in a cursive style.

Richard H. Gilbert, Jr., CPA
Deputy State Auditor

RHGjr/trb



KPMG LLP
Suite 900
55 Beattie Place
Greenville, SC 29601-2106

Independent Accountants' Report on Applying Agreed-upon Procedures

Mr. Richard H. Gilbert, Jr., CPA
Interim State Auditor
State of South Carolina
Columbia, South Carolina

We have performed the procedures enumerated below, which were agreed to by the South Carolina Office of the State Auditor as well as the President and management of Clemson University (the University), solely to assist you in evaluating whether the Intercollegiate Athletic Program Statement of Revenues, Expenditures and Transfers is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.1 for the year ended June 30, 2006 and the effectiveness of the University's internal control over financial reporting as of June 30, 2006. This engagement to apply agreed upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Materiality for the purposes of this report has been determined to be 5100,000.

Procedures Related to Statement of Revenues, Expenditures and Transfers

- A. We obtained the Clemson University Intercollegiate Athletic Program Statement of Revenues, Expenditures and Transfers (the Statement) for the year ended June 30, 2006, as prepared by management and shown in Schedule I herein. We recalculated the mathematical accuracy of the amounts on the schedule and agreed the amounts to the University's general ledger.

We found no exceptions as a result of these procedures.

- B. We compared actual revenues and expenditures in the Clemson University Intercollegiate Athletic Program Statement of Revenues, Expenditures and Transfers for the year ended June 30, 2006, to the prior year amounts (FY 2005). As agreed, we identified actual variances of greater than 10% and \$100,000 from the prior year amounts and obtained explanations from University officials regarding the reasons for the variations as follows:

Football Revenue — Football revenue increased by \$4,621,970, or 20%, compared with FY 2005. The increase is attributable to an increase in ticket prices, attendance and the addition of bowl game revenue.

Football Expenditures — Football expenditures increased by \$2,164,880, or 22%, compared with FY 2005. The increase is due to an increase in attendance and the University's participation in a bowl game.



Other Sports Revenue — Other sports revenue increased by \$468,237, or 13%, compared with FY 2005. The increase is due to the hosting of more postseason events compared with prior year. In FY 2006, the baseball team hosted a regional and a super regional tournament; whereas in FY 2005 only a regional was hosted. The men's soccer team also hosted postseason tournaments compared to FY 2005 where none were hosted.

Other Sports Expenditures — Other sports expenditures increased by \$1,048,855, or 14%, due to hosting of more postseason events compared with prior year.

Nonprogram Specific Revenue — Nonprogram specific revenue increased by \$538,901, or 10%, compared with FY 2005. The increase is due to an increase in institutional support.

IPTAY Revenue — IPTAY revenue increased by \$208,209, or 10%, compared with FY 2005. The increase is a result of an increase of contributions from Clemson University Foundation to cover increased expenditures.

No additional procedures were performed with respect to management's representations as to the reasons for the variances.

- C. We obtained a listing of operating revenue receipts for the year ended June 30, 2006. We agreed the totals per the operating revenue receipts listing to Schedule I and scanned the listing for all individual receipts greater than 10% of operating revenue.

The amounts were in agreement, and we found one individual receipt that exceeded 10% of operating revenue. The individual receipt was for \$6,002,841 from the Atlantic Coast Conference. We agreed the amount of the receipt per the listing of all individual receipts to a copy of the check and the settlement statement from the Atlantic Coast Conference.

- D. We obtained all the reconciliation of revenue from football and men's basketball ticket sales between the University's general ledger and the University's Paciolan System's Ticket Status Report for the year ended June 30, 2006 prepared by the athletic administration's accountants and reviewed by the associate athletic director of business, and compared such revenue to the corresponding amount in Schedule 1.

The reconciliations prepared by the athletic administration's accountants and reviewed by the associate athletic director of business and the revenue from football and men's basketball ticket sales per Schedule I were materially in agreement.

- E. We obtained the University's calculation for the allocation of student fees to athletics. We recalculated the mathematical accuracy of the amounts in the calculation, agreed amounts in the calculation to the general ledger, and compared the amount of student fees revenue per the calculation to the corresponding amount in Schedule I.

We found no exceptions as a result of these procedures.



- F. We selected the football and men's basketball Atlantic Coast Conference settlement statements and the University of South Carolina settlement statement for away games from a schedule provided by the University. For each of these three settlement statements, we compared the settlement revenue on the schedule provided by the University to amounts specified in contracts provided by the University. We compared the total revenues for settlement statements in the schedule provided by the University to the corresponding amount of NCAA/Conference distribution revenue in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures and the amounts per the schedule provided by the University and corresponding amount of NCAA/Conference distribution revenue in the Statement of Revenues, Expenditures and Transfers were in agreement.

- G. We haphazardly selected the University of South Carolina football guarantee, the only out of conference away game, from a schedule provided by the University. For this guarantee, we compared the guarantee revenue on the schedule provided by the University to the amount specified in the settlement report. We compared the total revenues for away game guarantees in the schedule provided by the University to the corresponding amount of away game sales and guarantee revenues in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures and the amounts per the schedule provided by the University and the corresponding amount of away game sales and guarantee revenues in the Statement of Revenues, Expenditures and Transfers were in agreement.

- H. We obtained a report from the University detailing third-party support revenue recorded by the University for the year ended June 30, 2006. We haphazardly selected the head coaches of men's basketball, women's basketball, and men's soccer from the report and for each fund selected, we compared the third-party support revenue on the schedule provided by the University to amounts specified in the Learfield and Nike contracts. We recalculated the mathematical accuracy of the third-party support revenue per the report provided by the University. We compared the total third-party support revenue in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures.

- I. We obtained a report from the University detailing direct institutional support revenue recorded by the University for the year ended June 30, 2006. We recalculated the mathematical accuracy of the direct institutional support revenue amounts per the report provided by the University. We compared the total direct institutional support revenue in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures.

- J. We obtained a report from the University which details revenue received from the University's participation in NCAA/conference distributions including all tournament revenue for the year ended June 30, 2006. We compared the revenue amounts for football and men's basketball included in the report to amounts specified in Atlantic Coast Conference and University of South Carolina settlement statements provided by the University. We compared the total revenue for the University's participation in NCAA/conference distributions including all tournament revenue in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures.

- K. We obtained a report from the University which details revenue received from broadcast, television, radio and internet rights for the year ended June 30, 2006. We compared the revenue on the report to amounts specified in contracts provided by the University. We compared the total revenue from broadcast, television, radio and internet rights in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures.

- L. We obtained a report from the University which details revenue received from program sales, concessions, novelty sales and parking for the year ended June 30, 2006. We compared the total revenue from program sales, concessions, novelty sales and parking in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures.

- M. We obtained a report from the University which details revenues received from royalties, advertisements and sponsorships for the year ended June 30, 2006. We compared the revenue on the report to amounts specified in agreements and contracts provided by the University. We compared the total revenue from royalties, advertisements and sponsorships in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures.

- N. We obtained the schedule of endowment and investment income for Clemson University from the University's management for the year ended June 30, 2006. We compared the amount of endowment and investment income per the schedule to the amount of endowment and investment income per the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures.

- O. We haphazardly selected five intercollegiate athletic program endowments (Athletic Award Endowment, Frank Howard Endowed Scholarship Fund, IPTAY Tiger Club Endowment, IPTAY Cookbook Quasi-endowment, and IPTAY Endowment — Life Memberships) from a schedule provided by the University and obtained the endowment agreements. For each of these five endowments, we compared the classification of the endowment income to the terms of each endowment agreement. For these five endowments, we compared the use of the endowment income to the terms of each endowment agreement.

We found no exceptions as a result of these procedures.

- P. We obtained a report detailing other operating revenue for the year ended June 30, 2006. We compared the total other operating revenue in the report to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.

- Q. We haphazardly selected five student athletes (Steve Allen, Quentez Ruffin, Chansi Stuckey, Adrian Casanova, and Paul Muse) who received athletic student aid, from a schedule provided by the University. For each of these five student athletes, we obtained a detail of each student's account and compared the total aid awarded per the detail to an award letter. We compared the total athletic student aid in the schedule provided by the University to the corresponding amount of athletic student aid expenditures in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures and that the amounts per the schedule and the Statement of Revenues, Expenditures and Transfers were in agreement.

- R. We haphazardly selected two guarantees for visiting teams (University of Kansas (baseball) and Coppin State (men's basketball)) from a schedule provided by the University. For each of these two guarantees, we compared the guarantee expenditures on the schedule provided by the University to amounts specified in contracts and settlement reports. We compared the total expenditures for guarantees in the schedule provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no exceptions as a result of these procedures and that the amounts per the schedule and the Statement of Revenues, Expenditures and Transfers were in agreement.

- S. We obtained a listing of University coaches employed by the University for the year ended June 30, 2006. From this listing, we haphazardly selected a total of five men's and women's basketball and football coaches (Tommy Bowden, Rob Spence, Oliver Purnell, Christy McKinney and Dale Bradley). For each of these five coaches, we compared the recorded salary expenditures, including salary, benefits, and bonuses received, if any, per the University's general ledger to their contracts and IRS Form W-2s. We compared the total expenditures for coaching salaries, benefits and bonuses in the University's general ledger to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.



We found no material exceptions as a result of these procedures and that the amounts per the schedule and the Statement of Revenue, Expenditures and Transfers were in agreement.

- T. We obtained a listing of University coaching other compensation and benefits paid by a third party for the year ended June 30, 2006. From this listing, we haphazardly selected five coaches' (Tommy Bowden, Oliver Purnell, Christy McKinney, Trevor Adair and Todd Bramble) other compensation and benefits paid by a third party. For these five coaches, we compared the coaching other compensation and benefits paid by a third party to their contracts and IRS Form 1099's. We compared the total other compensation and benefits paid by a third party per the listing provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no material exceptions as a result of these procedures and that the amounts per the schedule and the Statement of Revenues, Expenditures and Transfers were in agreement.

- U. We obtained a listing of support staff/administrative salaries, benefits and bonuses paid by the institution and related entities for the year ended June 30, 2006. From this listing, we haphazardly selected a total of five support/administrative staff (Terry Don Phillips, William D'Andrea, James Davis, Andrew Johnson and Roy Stuart). For these five support/administrative staff, we compared the recorded salary, benefits and bonuses, if any, to their contracts and IRS Form W-2s. We compared the total expenditures for support staff/administrative salaries, benefits and bonuses paid by the institution and related entities per the listing to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

We found no material exceptions as a result of these procedures and that the amounts per the schedule and the Statement of Revenues, Expenditures and Transfers were in agreement.

- V. We obtained documentation from the University regarding its recruiting expenditures policies for the year ended June 30, 2006 and agreed the University's policy to NCAA recruiting expenditure policies.

We found no exceptions as a result of these procedures.

- W. We obtained documentation from the University regarding its team travel policies for the year ended June 30, 2006 and agreed the University's policy to NCAA team travel policies.

We found no exceptions as a result of these procedures.

- X. We obtained a report detailing equipment, uniforms and supplies expenditures from the University for the year ended June 30, 2006. We compared the total equipment, uniforms and supplies expenditures in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.



- Y. We obtained a report detailing game expenditures from the University for the year ended June 30, 2006. We compared the total game expenditures in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.

- Z. We obtained a report detailing fundraising, marketing and promotion expenditures from the University for the year ended June 30, 2006. We compared the total fundraising, marketing and promotion expenditures in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.

- AA. We obtained a report detailing direct facilities, maintenance and rental expenditures from the University for the year ended June 30, 2006. We compared the total direct facilities, maintenance and rental expenditures in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.

- BB. We obtained documentation of the University's methodology for allocating indirect facilities and administrative support for the year ended June 30, 2006. We obtained a report from the University which details indirect facilities and administrative support recorded by the University for the year ended June 30, 2006. We recalculated the mathematical accuracy of the allocation of indirect facilities and administrative support and agreed such amount on the Statement of Revenues, Expenditures and Transfers to the University's general ledger.

We found no exceptions as a result of these procedures.

- CC. We obtained a report detailing other operating expenditures from the University for the year ended June 30, 2006. We compared the total other operating expenditures in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.

- DD. We obtained a report detailing the principal and interest mandatory transfers made by athletics to the University for the year ended June 30, 2006. We compared the total principal and interest mandatory transfers made by athletics to the University in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.



The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.

- EE. We obtained a report detailing nonmandatory transfers from the University for the year ended June 30, 2006. We compared the total nonmandatory transfers in the report provided by the University to the corresponding amount in the Statement of Revenues, Expenditures and Transfers.

The amounts per the report and the Statement of Revenues, Expenditures and Transfers were in agreement.

Procedures Related to Internal Control Over Financial Reporting

The management of Clemson University is responsible for establishing and maintaining a system of internal control over financial reporting. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system of internal control over financial reporting are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America.

Because of inherent limitations in any system of internal control over financial reporting, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate. We performed the following procedures:

- FF. Fifteen days' deposits for the year ended June 30, 2006 were haphazardly selected from daily receipt reports from the University's point of sale units located in the ticket office.



Each day's cash receipts were compared to validated deposit slips. The items selected were as follows:

	Reference	Date	Amount
1.	04-0055470	July 29, 2005	\$ 11,792.00
2.	04-0057665	September 30, 2005	\$ 6,513.00
3.	04-0056001	August 17, 2005	\$ 54,685.06
4.	04-0040453	June 30, 2006	\$ 17,860.18
5.	01-0023409	January 5, 2006	\$ 550.00
6.	01-0022348	November 30, 2005	\$ 5,280.00
7.	04-0038766	May 17, 2006	\$ 5,987.60
8.	01-0022890	December 15, 2005	\$ 2,354.00
9.	04-0038291	May 4, 2006	\$ 6,074.00
10.	04-0040436	June 30, 2006	\$ 1,050.00
11.	01-0023949	January 23, 2006	\$ 566.00
12.	04-0038041	April 27, 2006	\$ 637.00
12.	01-0021301	October 31, 2005	\$ 7,826.00
14.	01-0022348	November 30, 2005	\$ 10,227.00
15.	01-0025723	March 7, 2006	\$ 720.00

We found such amounts to be in agreement.

GG. Thirty cash disbursements for the Intercollegiate Athletic Program for the year ended June 30, 2006 were haphazardly selected from the University's general ledger. For each of these thirty disbursements, we compared the disbursed amount and payee information to supporting documentation (i.e. signed reports, invoices, and documentation of receipt). Each disbursement was authorized by the signature of the athletic director of business.

Items selected were as follows:

	Description	Voucher No.	Disbursement Amount
1.	Texas A&M	282244	\$ 11,574.82
2.	Men's Basketball Press Guide	299636	\$ 17,357.13
3.	Football Press Guide	275914	\$ 28,490.64
4.	Eclectic Utility -- Stadium	M-971	\$ 32,667.79
5.	Eclectic Utility -- Stadium	M-971	\$ 32,817.90
6.	Eclectic Utility -- Stadium	M-971	\$ 61,749.36
7.	Gatorade purchase by Weight Room	N/A	\$ 13,125.00
8.	Men's basketball team charter transportation	291778	\$ 30,801.92
9.	Men's basketball team charter transportation	291778	\$ 23,366.12
10.	Men's basketball team charter transportation	291778	\$ 33,649.33
11.	Guarantee Contract for Men's Basketball	288958	\$ 15,000.00
12.	Correction of guarantee payment to ACC for MBB	N/A	\$ 187,651.75
13.	Ground Transportation WBB to GSP	288046	\$ 4,300.00
14.	Ground Transportation WBB to GSP	289824	\$ 5,150.00
15.	Tommy Bowden check from Lierfield	CO329016	\$ 277,500.00
16.	Mutual Aid for Texas A&M Football Game	N/A	\$ 45,306.25



17. Men's Football Student Athlete Financial Aid	25003-0614	\$ 1,357,504.00
18. Men's Football Student Athlete Financial Aid	25003-0109	\$ 23,684.00
19. NCAA Men's Soccer Tournament	302239	\$ 19,770.67
20. Olympex Indoor Full Color Display	CO310734	\$ 53,999.05
21. Tiger Band/Cheerleader/Rally Cat Exp for Champs Bowl	00000222	\$ 26,460.00
22. 2005 Champs Sports Bowl	294291	\$ 45,364.00
23. Champs Sports Bowl Hotel	301176	\$ 50,256.78
24. Baseball Tri Panels	309549	\$ 7,621.40
25. Glass replacement for BOT's Skybox	CO328144	\$ 14,165.00
26. Aircraft Maintenance	CO310442	\$ 11,949.38
27. Aircraft Maintenance	292866	\$ 16,867.56
28. Aircraft Maintenance	CO310443	\$ 16,993.88
29. Aircraft Maintenance	292866	\$ 20,597.01
30. Aircraft Maintenance	CO310444	\$ 71,666.29

We found the disbursement amounts to be in agreement with the supporting documentation.

- HH. Fifteen gift receipts for the year ended June 30, 2006 were haphazardly selected from the University's general ledger. For each of these fifteen gift receipts, we compared the amount of the gift and donor information to supporting check copies, receipts, and acknowledgement letters. The items selected were as follows:

Donor Identification		
Number	Batch Date	Amount
1. 256885	December 21, 2005	\$ 1,400.00
2. 17040	December 21, 2005	\$ 2,800.00
3. 104975	December 21, 2005	\$ 700.00
4. 35249	December 21, 2005	\$ 140.00
5. 504981	December 21, 2005	\$ 350.00
6. 414099	December 21, 2005	\$ 140.00
7. 158884	December 21, 2005	\$ 1,400.00
8. 119678	December 21, 2005	\$ 1,400.00
9. 394087	December 21, 2005	\$ 140.00
10. 57675	December 21, 2005	\$ 250.00
11. 43959	December 21, 2005	\$ 1,400.00
12. 41451	December 21, 2005	\$ 1,400.00
13. 36377	December 21, 2005	\$ 140.00
14. 56735	December 21, 2005	\$ 1,400.00
15. 248882	December 21, 2005	\$ 1,400.00

We found the gift receipts to be in agreement with the supporting documentation.



We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the Statement of Revenues, Expenditures and Transfers of the Intercollegiate Athletic Program of Clemson University or the effectiveness of Clemson University Intercollegiate Athletic Program's internal control over financial reporting for the year ended June 30, 2006. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the State Auditor of South Carolina as well as the President and management of Clemson University and is not intended to be, and should not be, used by anyone other than these specified parties.

KPMG LLP

September 22, 2006

SCHEDULE I

**CLEMSON UNIVERSITY
INTERCOLLEGIATE ATHLETIC PROGRAM**

Statement of Revenues, Expenditures and Transfers

For The Year Ended June 30, 2006

Unaudited - See Accompanying Independent Accountants' Report on Applying Agreed-Upon-Procedures

	Football	Basketball	Other Sports	NonProgram Specific	IPTAY	IPTAY LEARNING CENTER	Total
Operating revenue:							
Ticket sales	\$ 13,236,722	1,098,197	381,443	-	-	-	14,716,362
Student fees	1,284,800	122,044	-	-	-	-	1,406,844
Away game sales and guarantees	1,062,821	327,581	4,000	-	-	-	1,394,402
Contributions	1,750,752	564,990	2,213,946	1,079,547	2,212,007	1,148,031	8,969,273
Third-party support	896,750	176,500	37,500				1,110,750
Direct institutional support	536,794	222,692	1,188,191	-	-	-	1,947,677
NCAA/Conference distributions including all tournament revenue	7,079,980	3,008,746	147,600	129,702	-	-	10,366,028
Broadcast, television, radio and internet rights	-	-	-	807,500	-	-	807,500
Program sales, concessions, novelty sales and parking	1,181,835	141,838	93,012	993,240	-	-	2,409,925
Royalties, advertisements and sponsorships	125,000	-	-	1,615,585	-	-	1,740,585
Endowment and investment income	-	-	-	751,452	-	-	751,452
Other	249,462	33,818	35,100	297,391	-	-	615,771
Total operating revenue	27,404,916	5,696,406	4,100,792	5,674,417	2,212,007	1,148,031	46,236,569
Operating expenditures:							
Athletic student aid	2,210,383	733,466	3,312,913	803,509	-	2,500	7,062,771
Guarantees	1,537,500	497,292	43,621	-	-	-	2,078,413
Coaching salaries, benefits and bonuses paid by the institution and related entities	2,352,567	1,888,937	2,622,379	-	-	-	6,863,883
Coaching other compensation and benefits paid by a third party	896,750	176,500	37,500	-	-	-	1,110,750
Support staff/administrative salaries, benefits and bonuses paid by the institution and related entities	524,173	209,531	89,464	5,666,860	866,297	978,069	8,334,394
Recruiting	279,684	211,394	223,571	-	-	-	714,649
Team travel	964,826	649,515	943,817	142,069	57,379	21,004	2,778,610
Equipment, uniforms and supplies	429,004	61,769	352,161	125,204	7,347	-	975,485
Game	1,336,369	297,311	212,795	-	-	-	1,846,475
Fundraising, marketing and promotion	-	-	-	308,945	1,302,482	-	1,611,427
Direct facilities, maintenance and rental	42,274	16,855	14,307	1,499,579	-	6,206	1,579,221
Indirect facilities and administrative support	-	-	-	678,120	-	-	678,120
Other	1,492,843	475,058	591,689	4,106,279	-	136,761	6,802,630
Total operating expenditures	12,066,373	5,217,628	8,444,217	13,330,565	2,233,505	1,144,540	42,436,828
Mandatory transfers:							
Principal and interest	-	-	-	724,705	-	-	724,705
Total operating expenditures and mandatory transfers	12,066,373	5,217,628	8,444,217	14,055,270	2,233,505	1,144,540	43,161,533

**CLEMSON UNIVERSITY
INTERCOLLEGIATE ATHLETIC PROGRAM**

Statement of Revenues, Expenditures and Transfers

For The Year Ended June 30, 2006

Unaudited - See Accompanying Independent Accountants' Report on Applying Agreed-Upon-Procedures

	<u>Football</u>	<u>Basketball</u>	<u>Other Sports</u>	<u>NonProgram Specific</u>	<u>IPTAY</u>	<u>IPTAY LEARNING CENTER</u>	<u>Total</u>
Nonmandatory transfers:							
Student services	-	-	-	10,000	-	-	10,000
Scholarship support	151,306	42,503	31,317	-	-	-	225,126
Construction projects	-	-	-	2,619,896	12,534	-	2,632,430
Student band support	-	-	-	97,275	-	-	97,275
Departmental support	-	-	-	898,465	-	-	898,465
Total nonmandatory transfers	<u>151,306</u>	<u>42,503</u>	<u>31,317</u>	<u>3,625,636</u>	<u>12,534</u>	<u>-</u>	<u>3,863,296</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 15,187,237</u>	<u>436,275</u>	<u>(4,374,742)</u>	<u>(12,006,489)</u>	<u>(34,032)</u>	<u>3,491</u>	<u>(788,260)</u>

See accompanying notes to Statement of Revenues, Expenditures and Transfers

**CLEMSON UNIVERSITY
INTERCOLLEGIATE ATHLETIC PROGRAM**

Notes to Statement of Revenues, Expenditures and Transfers

June 30, 2006

(Unaudited – See accompanying independent accountants' report on applying agreed-upon procedures)

(1) Summary of Significant Accounting Policies and Reporting Practices

The accompanying Statement of Revenues, Expenditures and Transfers includes revenue, expenditure and transfer accounts of Clemson University (the University) which relate to the University's National Collegiate Athletic Association intercollegiate athletic program. The University uses the accrual basis of accounting for revenues, expenditures and transfers.

(2) Athletic Student Aid

The statement includes athletic financial assistance awards for students participating in athletic programs. Financial assistance awarded to athletic participants on the basis of other criteria, such as need or academic excellence, is not reflected in the statement.

(3) Capital Expenditures

The University expended approximately \$3,380,729 for capital items, which were funded by revenues related to athletics. As these expenditures were for capital items, they are not included in the statement of revenues, expenditures and transfers.

(3) Booster Activities

Activities of IPTAY, the fundraising arm of Clemson University Athletics, are included in the accompanying statement.