

*State of South Carolina*



*Office of the State Auditor*

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

THOMAS L. WAGNER, JR., CPA  
STATE AUDITOR

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

December 16, 2005

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, 2005, 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 "Tom Wagner".

Thomas L. Wagner, Jr., CPA  
State Auditor

TLWjr/trb



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

## Independent Accountants' Report on Applying Agreed-upon Procedures

Mr. Thomas L. Wagner, Jr., CPA  
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 Statement of Revenues, Expenditures and Transfers of the Intercollegiate Athletic Program of Clemson University is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.1 for the year ended June 30, 2005 and the effectiveness of the University's internal control over financial reporting as of June 30, 2005. 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 \$100,000.

### *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, 2005, 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, 2005, to the prior year amounts (FY 2004). 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:

***Other Sports Operating Revenue*** – Other sports operating revenue increased by \$992,117, or 38%, compared with the FY 2004. The increase is attributable to post-season play for non-football and non-men's basketball sports and increased guarantee revenue from other schools.



***Other Sports Operating Expenditures*** – Other sports operating expenditures increased by \$1,021,347, or 16%, compared with FY 2004. The increase is due to expenditures related to post-season play for non-football and non-men’s basketball sports.

***Non program Specific Operating Revenue*** – Non-program specific operating revenue decreased by \$815,294, or 14%, compared with FY 2004. The decrease is due to lower interest income in FY 2005 compared with the prior year and a reduction of both corporate sponsorships and conference distributions.

***IPTAY Learning Center Operating Revenue*** – IPTAY learning center operating revenue increased by \$171,183, or 19%, compared with FY 2004. The increase is due to changes associated with the replacement of the department head and the hiring of additional staff, whereby the University reimbursed such expenditures related to the additional salaries and other expenditures incurred during the interview/hiring process.

***IPTAY Learning Center Operating Expenditures*** – IPTAY learning center operating expenditures increased by \$255,751, or 28%, compared with FY 2004. A significant portion of the increase in expenditures is associated with the increase in IPTAY learning center operating revenue described above.

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 for the year ended June 30, 2005. We agreed the operating revenue total per the listing to the total operating revenue amount in Schedule I and scanned the listing for all individual revenues greater than 10% of operating revenue.

The amounts were in agreement, and we found no individual revenues that exceeded 10% of operating revenue.

- D. We obtained all the reconciliations 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, 2005 prepared by the athletic administration’s accountants and reviewed by the associate athletic director of business, and compared such revenue to the corresponding amounts in Schedule I.

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 ACC settlement statements and the Texas Agricultural and Mechanical University settlement statement for away games from a schedule provided by the University. For each of these three settlement reports, 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 reports in the schedule provided by the University to the corresponding amount of NCAA/Conference distribution 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 corresponding amount of NCAA/Conference distribution revenues in the Statement of Revenues, Expenditures and Transfers were materially in agreement.

- G. We haphazardly selected the Texas Agricultural and Mechanical University football guarantee and the Boston College men's basketball guarantee from a schedule provided by the University. For each of these two guarantees, we compared the guarantee revenue on the schedule provided by the University to amounts specified in contracts and settlement reports. 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 materially in agreement.

- H. We obtained a report from the University detailing direct institutional support revenue recorded by the University for the year ended June 30, 2005. 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.

- I. We obtained a report from the University which details revenues received from the University's participation in NCAA/conference distributions including all tournament revenue for the year ended June 30, 2005. We compared the revenue amounts for football and men's basketball included in the report to amounts specified in Atlantic Coast Conference and Texas Agricultural and Mechanical University settlement statements provided by the University. We compared the total revenues 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.



- J. We obtained a report from the University which details revenues received from broadcast, television, radio and internet rights for the year ended June 30, 2005. 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.

- K. We obtained a report from the University which details revenues received from program sales, concessions, novelty sales and parking for the year ended June 30, 2005. 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.

- L. We obtained a report from the University which details revenues received from royalties, advertisements and sponsorships for the year ended June 30, 2005. 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.

- M. We obtained the schedule of endowment and investment income for Clemson University from the University's management for the year ended June 30, 2005. 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.

- N. 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.



- O. We obtained a report detailing other operating revenue for the year ended June 30, 2005. We compared the total other operating revenues 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.

- P. We obtained a listing of operating expenditures for the year ended June 30, 2005. We agreed the totals per the operating expenditures listing to the total operating expenditures amount in the Statement of Revenues, Expenditures and Transfers and scanned the listing for all individual expenditures greater than 10% of operating expenditures.

The amounts were in agreement and we noted no individual expenditures greater than 10% of operating expenditures.

- Q. We haphazardly selected five student athletes (Maxienne White, Kimberly Routh, Jamaal Fudge, Olu Babalola, and Nathan Sturgis) 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 materially in agreement.

- R. We haphazardly selected two guarantees for visiting teams (Utah State (football) and University of North Carolina – Asheville (men's basketball)) from a schedule provided by the University. For each of these two guarantees, we compared the guarantee expense 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 materially in agreement.

- S. We obtained a listing of University coaches employed by the University for the year ended June 30, 2005. From this listing, we haphazardly selected a total of five men's and women's basketball and football coaches (Tommy Bowden, Harvey Scott, Oliver Purnell, Ronald Bradley, and Ito Coleman). 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 materially 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, 2005. From this listing, we haphazardly selected three coaches' (Tommy Bowden, Brad Scott, and Oliver Purnell) other compensation and benefits paid by a third party. For these three 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 materially 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, 2005. From this listing, we haphazardly selected a total of five support/administrative staff (Terry Don Phillips, George Jones, Jeff Davis, Rebecca Bowman, and Richard Bagby). 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 materially in agreement.

- V. We obtained documentation from the University regarding its recruiting expense policies for the year ended June 30, 2005 and agreed the University's policy to NCAA recruiting expense 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, 2005 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, 2005. 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, 2005. 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, 2005. 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, 2005. 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 a report detailing the principal and interest mandatory transfers made by athletics made to the University for the year ended June 30, 2005. 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.

- CC. We obtained documentation of the University's methodology for allocating indirect facilities and administrative support for the year ended June 30, 2005. We obtained a report from the University which details indirect facilities and administrative support recorded by the University for the year ended June 30, 2005. We recalculated the mathematical accuracy of the allocation of indirect facilities and administrative support and agreed such amounts on the Statement of Revenues, Expenditures and Transfers and agreed the amounts to the University's general ledger.

We found no exceptions as a result of these procedures.

- DD. We obtained a report detailing other operating expenditures from the University for the year ended June 30, 2005. 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.



### ***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. Our procedures were as follows:

- EE. Fifteen days' deposits for the year ended June 30, 2005 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:

	<u>Reference</u>	<u>Date</u>	<u>Amount</u>
1.	04-0046352	September 13, 2004	\$24,589.00
2.	04-0047014	October 5, 2004	\$1,652.00
3.	04-0047360	October 15, 2004	\$109,965.00
4.	04-0047469	October 18, 2004	\$2,305.00
5.	04-0047471	October 19, 2004	\$40,320.00
6.	04-0048022	November 8, 2004	\$5,769.00
7.	04-0048359	November 22, 2004	\$876.00
8.	04-0048782	December 8, 2004	\$13,015.00
9.	04-0049144	December 30, 2004	\$7,373.00
10.	04-0049654	January 18, 2005	\$51,327.00
11.	04-0050354	February 10, 2005	\$11,330.00
12.	04-0052028	April 11, 2005	\$7,193.00
13.	04-0052713	May 2, 2005	\$11,801.00
14.	04-0053576	May 30, 2005	\$61,929.00
15.	04-0053877	June 8, 2005	\$49,526.00

We found such amounts to be in agreement.

- FF. Thirty cash disbursements for the Intercollegiate Athletics Program for the year ended June 30, 2005 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). For employee compensation, we used the signed employee contract or the most recent salary adjustment form as the supporting documentation for the disbursement amount. Each



disbursement was authorized by the signature of the athletic director of business. Items selected were as follows:

	<u>Description</u>	<u>Voucher No.</u>	<u>Disbursement Amount</u>
1.	Engineering - roof design	266354	\$6,269.37
2.	Mahogany furniture	234896	\$2,862.85
3.	Waste disposal/recycling	236804	\$791.95
4.	Delivery of rip rap (stones)	268807	\$1,543.55
5.	Baseball mound clay	262861	\$665.00
6.	Pool supplies	271186	\$1,398.03
7.	Landscaping services	270443	\$7,979.14
8.	Recruiting information	221392	\$7,690
9.	Installation of signs (interior)	248816	\$2,133
10.	Utility sand	269113	\$1,362.57
11.	Vehicle rental	263208	\$1,031.11
12.	Legal services	270303	\$4,347.00
13.	Letterman ring awards	270299	\$3,055.96
14.	Apparel design & printing	264658	\$1,489.00
15.	Laundry room cabinets (Littlejohn)	237629	\$5,457.87
16.	Gate assembly - water level control	262254	\$1,884.77
17.	Bus transportation	262216	\$3,275.10
18.	Men's basketball team charter transportation	233935	\$98,850.95
19.	Reconditioned football equipment	269217	\$21,192.26
20.	Ground transportation (College Station, TX)	236940	\$5,880.00
21.	Software	224140	\$3,300.00
22.	Paint for artificial football field	265199	\$1,738.94
23.	Title IX professional services	260077	\$6,569.55
24.	Competition choreography (Rally Cats)	250540	\$3,000.00
25.	Nutritional supplements	269690	\$1,891.90
26.	Salaries	Not applicable	\$154,500.00
27.	Salaries	Not applicable	\$69,525.00
28.	Salaries	Not applicable	\$169,200.00
29.	Salaries	Not applicable	\$51,500.00
30.	Salaries	Not applicable	\$84,717.00

We found the disbursement amounts to be in agreement.



GG. Fifteen gift receipts for the year ended June 30, 2005 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:

	<b>Donor Identification Number</b>	<b>Batch Date</b>	<b>Amount</b>
1.	140688	December 16, 2004	\$10,000.00
2.	25865	December 16, 2004	\$40,000.00
3.	1844176	February 25, 2005	\$3,000.00
4.	207078	February 25, 2005	\$1,400.00
5.	305282	February 25, 2005	\$5,000.00
6.	64586	February 25, 2005	\$1,500.00
7.	638783	February 25, 2005	\$3,000.00
8.	73128	April 26, 2005	\$500.00
9.	19060	April 26, 2005	\$1,000.00
10.	35857	April 26, 2005	\$5,000.00
11.	23897	June 16, 2005	\$700.00
12.	64492	June 16, 2005	\$350.00
13.	711899	June 16, 2005	\$1,000.00
14.	725799	June 16, 2005	\$1,400.00
15.	72088	June 16, 2005	\$1,200.00

We found the gift receipts to be in agreement.

\* \* \* \* \*

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 Department's internal control over financial reporting for the year ended June 30, 2005. 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 16, 2005

**CLEMSON UNIVERSITY  
INTERCOLLEGIATE ATHLETIC PROGRAM**

**Statement of Revenues, Expenditures and Transfers**

**For The Year Ended June 30, 2005**

**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>
Operating revenue:							
Ticket sales	\$ 10,230,549	1,090,804	321,413	-	-	-	11,642,766
Student fees	1,172,163	124,979	-	-	-	-	1,297,142
Away game sales and guarantees	1,115,575	357,939	-	-	-	-	1,473,514
Contributions	1,867,169	690,320	2,591,329	1,039,196	2,003,798	1,084,070	9,275,882
Third-party support	297,500	110,000	37,500	-	-	-	445,000
Direct institutional support	156,550	69,839	386,016	3,211	-	-	615,616
NCAA/Conference distributions including all tournament revenue	5,049,867	2,909,086	-	809,874	-	-	8,768,827
Broadcast, television, radio and internet rights	-	-	-	275,000	-	-	275,000
Program sales, concessions, novelty sales and parking	1,066,255	81,631	53,479	887,724	-	-	2,089,089
Royalties, advertisements and sponsorships	130,000	-	-	1,226,704	-	-	1,356,704
Endowment and investment income	-	-	-	697,687	-	-	697,687
Other	1,697,318	125,823	242,818	196,120	-	-	2,262,079
Total operating revenue	<u>22,782,946</u>	<u>5,560,421</u>	<u>3,632,555</u>	<u>5,135,516</u>	<u>2,003,798</u>	<u>1,084,070</u>	<u>40,199,306</u>
Operating expenditures:							
Athletic student aid	1,948,685	693,769	2,887,231	779,975	-	-	6,309,660
Guarantees	1,625,000	425,123	26,011	-	-	-	2,076,134
Coaching salaries, benefits and bonuses paid by the institution and related entities	2,480,419	1,786,148	2,269,467	-	-	-	6,536,034
Coaching other compensation and benefits paid by a third party	297,500	110,000	37,500	-	-	-	445,000
Support staff/administrative salaries, benefits and bonuses paid by the institution and related entities	434,239	285,428	43,990	5,045,044	755,215	872,929	7,436,845
Recruiting	256,736	168,842	226,250	-	-	-	651,828
Team travel	545,303	678,854	944,803	145,646	60,114	18,063	2,392,783
Equipment, uniforms and supplies	643,947	84,516	305,835	116,421	2,045	1,333	1,154,097
Game	1,173,094	313,548	169,962	-	-	-	1,656,604
Fundraising, marketing and promotion	-	-	-	393,456	1,293,505	-	1,686,961
Direct facilities, maintenance and rental	62,979	21,169	14,052	1,304,619	-	4,482	1,407,301
Indirect facilities and administrative support	-	-	-	678,120	-	-	678,120
Other	433,591	409,001	470,261	4,357,888	-	279,234	5,949,975
Total operating expenditures	<u>9,901,493</u>	<u>4,976,398</u>	<u>7,395,362</u>	<u>12,821,169</u>	<u>2,110,879</u>	<u>1,176,041</u>	<u>38,381,342</u>
Mandatory transfers:							
Principal and interest	-	-	-	456,000	-	-	456,000
Total operating expenditures and mandatory transfers	<u>9,901,493</u>	<u>4,976,398</u>	<u>7,395,362</u>	<u>13,277,169</u>	<u>2,110,879</u>	<u>1,176,041</u>	<u>38,837,342</u>

**CLEMSON UNIVERSITY  
INTERCOLLEGIATE ATHLETIC PROGRAM  
Statement of Revenues, Expenditures and Transfers  
For The Year Ended June 30, 2005**

**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>
							(Continued)
Other expenditures:							
Student services	-	-	-	10,000	-	-	10,000
Scholarship support	(225,126)	-	-	-	-	-	(225,126)
Construction projects	-	-	-	868,392	-	-	868,392
Student band support	-	-	-	115,518	-	-	115,518
Departmental support	-	-	-	125,002	-	-	125,002
Total other expenditures	<u>(225,126)</u>	<u>-</u>	<u>-</u>	<u>1,118,912</u>	<u>-</u>	<u>-</u>	<u>893,786</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 13,106,579</u>	<u>584,023</u>	<u>(3,762,807)</u>	<u>(9,260,565)</u>	<u>(107,081)</u>	<u>(91,971)</u>	<u>468,178</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, 2005

(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 athletics 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 \$14,290,000 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.

**(4) Booster Activities**

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