



**CLEMSON UNIVERSITY
NCAA REPORT**

Independent Accountants' Report on
Applying Agreed-upon Procedures

June 30, 2007

State of South Carolina



Office of the State Auditor

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November 29, 2007

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, 2007, 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



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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, 2007 and the effectiveness of the University's internal control over financial reporting as of June 30, 2007. 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, 2007, 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, 2007, to the prior year amounts (FY 2006). 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 \$4,624,322, or 17%, compared with FY 2006. The increase is attributable to an increase in volume of ticket sales, ticket prices, concession sales, and an additional home game.

Football Expenditures – Football expenditures increased by \$1,366,735, or 11%, compared with FY 2006. The increase is due to expenditures related to an additional home game, an increase in guarantees expenditures due to an increase in out-of-conference home games, and an increase in coaching salaries and benefits expenditures.

Basketball Revenue – Basketball revenue increased by \$2,109,450, or 37%, compared with FY 2006. The increase is attributable to an increase in conference distributions and volume of men's basketball ticket sales.

Other Sports Revenue – Other sports revenue increased by \$430,234, or 10%, compared with FY 2006. The increase is due to the baseball ticket sales, scholarship contributions, and institutional support for out-of-state tuition waivers.

Nonprogram Specific Revenue – Nonprogram specific revenue increased by \$1,633,528, or 29%, compared with FY 2006. The increase is due to an increase in capital project contributions and interest income.

Nonprogram Specific Expenditures – Nonprogram specific expenditures increased by \$1,836,129, or 14%, compared with FY 2006. The increase is due to an increase in costs related to facilities repairs and improvements, airplane maintenance costs, and furnishings for the Jervey Athletic Center.

IPTAY Revenue – IPTAY revenue increased by \$493,072, or 22%, compared with FY 2006. The increase is a result of an increase of donor contributions for construction projects and contributions to cover fundraising compensation costs.

IPTAY Learning Center Revenue – IPTAY Learning Center revenue increased by \$201,742, or 18%, compared with FY 2006. The increase is a result of an increase of contributions to cover increased operational expenditures.

IPTAY Learning Center Expenditures – IPTAY Learning Center expenditures increased by \$205,233, or 18%, compared with FY 2006. The increase is a result of an increase of compensations costs due to an increase in the number of employees.

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, 2007. 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 \$13,347,649 and was related to realization of deferred revenue as of June 30, 2006 being realized in the current year. We agreed the amount of the deferred revenue to prior year workpapers.

- 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, 2007 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 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 Temple University and Old Dominion University settlement statements for football and basketball away games, respectively, from a schedule provided by the University. For each of these two 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 Temple University 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, 2007. 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, 2007. 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, 2007. 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, 2007. 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, 2007. 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, 2007. 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, 2007. 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 obtained a report detailing other operating revenue for the year ended June 30, 2007. 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.

- P. We haphazardly selected three student athletes (Sean Clark, Anthony Clay, and Brandon Pilgrim) who received athletic student aid, from a schedule provided by the University. For each of these three 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.

- Q. We haphazardly selected two guarantees for visiting teams (Western Carolina University (men's basketball) and Louisiana Tech University (football)) 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.

- R. We obtained a listing of University coaches employed by the University for the year ended June 30, 2007. From this listing, we haphazardly selected a total of three men's and women's basketball and football coaches (Tommy Bowden, Oliver Purnell, and Christy McKinney). For each of these three coaches, we compared the recorded salary expenditures, including salary, benefits, and bonuses paid by the University and related entities, if any, per the University's general ledger to their contracts and Internal Revenue Service (IRS) Form W-2s. We compared the total expenditures for coaching salaries, benefits and bonuses paid by the University and related entities 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.

- S. We obtained a listing of University coaching other compensation and benefits paid by a third party for the year ended June 30, 2007. From this listing, we haphazardly selected two coaches' (Tommy Bowden and Oliver Purnell) other compensation and benefits paid by a third party. For these two 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.

- T. 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, 2007. From this listing, we haphazardly selected a total of three support/administrative staff (Terry Don Phillips, Kyle McLendon Young, and Stephen E. Coleman). 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.

- U. We obtained documentation from the University regarding its recruiting expenditures policies for the year ended June 30, 2007 and agreed the University's policy to NCAA recruiting expenditure policies.

We found that the University's recruiting expenditures policies for the year ended June 30, 2007 agreed to NCAA recruiting expenditure policies.

- V. We obtained documentation from the University regarding its team travel policies for the year ended June 30, 2007 and agreed the University's policy to NCAA team travel policies.

We found that the University's team travel policies for the year ended June 30, 2007 agreed to NCAA team travel policies.

- W. We obtained a report detailing equipment, uniforms and supplies expenditures from the University for the year ended June 30, 2007. 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.

- X. We obtained a report detailing game expenditures from the University for the year ended June 30, 2007. 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.

- Y. We obtained a report detailing fundraising, marketing and promotion expenditures from the University for the year ended June 30, 2007. 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.

- Z. We obtained a report detailing direct facilities, maintenance and rental expenditures from the University for the year ended June 30, 2007. 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.

- AA. We obtained documentation of the University's methodology for allocating indirect facilities and administrative support for the year ended June 30, 2007. We obtained a report from the University which details indirect facilities and administrative support recorded by the University for the year ended June 30, 2007. 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.

BB. We obtained a report detailing other operating expenditures from the University for the year ended June 30, 2007. 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.

CC. We obtained a report detailing the principal and interest mandatory transfers made by athletics to the University for the year ended June 30, 2007. 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.

DD. We obtained a report detailing nonmandatory transfers from the University for the year ended June 30, 2007. 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:

EE. Fifteen days' deposits for the year ended June 30, 2007 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.	04-0049156	2/21/2007	\$ 834,947
2.	04-0046508	12/7/2006	401
3.	04-0040511	7/6/2006	151,053
4.	04-0047263	1/5/2007	1,810
5.	04-0042451	8/28/2006	138,809
6.	04-0046990	12/19/2006	200
7.	04-0043759	9/26/2006	11,476
8.	04-0044753	10/20/2006	10,301
9.	04-0045006	10/26/2006	46,039
10.	04-0042681	8/31/2006	392
11.	04-0049916	3/9/2007	100,000
12.	04-0049551	3/1/2007	13,071
12.	04-0044754	10/20/2006	21,463
14.	04-0047266	1/5/2007	41,905
15.	04-0051672	4/19/2007	38,718

We found such amounts to be in agreement.

FF. Thirty cash disbursements for the Intercollegiate Athletic Program for the year ended June 30, 2007 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. Insurance inception premium payment	C0358628	\$25,334
2. Reimbursement - NCAA rules seminar	C0041040	84
3. Sports ads	C0367615	1,610
4. Video equipment	C0357792	3,632
5. HVAC equipment	C0390844	1,115
6. Power bill (inter-entity charge)	M-343	11,691
7. Cleaning service charges	C0338892	1,134
8. Repair work - elevators	C0356437	48,290
9. Annual charges (inter-entity charge)	001640	276
10. Annual charges (enter-entity charge)	C0062705	2,114
11. Annual computer center charges	150018BILL	94
12. Reimbursement - ATP conference	C0060740	168
13. Baseball training equipment	C0385139	157
14. Longevity supplemental incentive compensation	LONGEVSUPP	150,000
15. Reimbursement - airfare	C0064855	692
16. Deposit for aircraft charter	C0342492	114,909

17. ACC basketball settlements	C0385961	178,626
18. ACC football settlements	C0370654	900,000
19. Shipments of volleyball-related items	C0355496	38
20. Transportation charges (inter-entity charge)	A040001447	725
21. Maintenance services	C0344914	185
22. SC LSC registration	C0054960	50
23. Sporting recruiting event	C0350751	314
24. Swimming team university membership	C0363501	150
25. Four team gatherings	00045491	800
26. Meal for men's track team	C0380850	1,093
27. Telephone charges (inter-entity charge)	1000714100	182
28. Printing charges (inter-entity charge)	JRS72314	64
29. Annual charges (inter-entity charge)	001660	828
30. Reimbursement	00040869	137

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

GG. Fifteen gift receipts for the year ended June 30, 2007 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.	98131	3/19/2007	\$ 2,800
2.	397901	3/19/2007	2,100
3.	84494	3/19/2007	1,500
4.	69280	3/19/2007	1,400
5.	84885	3/19/2007	700
6.	555100	3/17/2007	1,400
7.	372979	3/17/2007	1,100
8.	324904	3/17/2007	1,400
9.	350490	3/17/2007	700
10.	39178	3/17/2007	2,500
11.	33958	3/22/2007	1,100
12.	85472	3/22/2007	1,400
13.	191376	3/22/2007	2,800
14.	439281	3/22/2007	700
15.	15353	3/22/2007	350

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, 2007. 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 members of the Board of Trustees and management of Clemson University and the Office of the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.

KPMG LLP

November 29, 2007

**CLEMSON UNIVERSITY
INTERCOLLEGIATE ATHLETIC PROGRAM**

Statement of Revenues, Expenditures and Transfers

For The Year Ended June 30, 2007

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

	Football	Basketball	Other Sports	Nonprogram Specific	IPTAY	IPTAY LEARNING CENTER	Total
OPERATING REVENUES:							
Ticket sales	\$ 19,098,948	\$ 1,336,188	\$ 474,129	\$ -	\$ -	\$ -	\$ 20,909,265
Student fees	1,378,787	114,748					1,493,535
Away game sales & guarantees	934,947	359,013	5,000	-	-		1,298,960
Contributions	2,169,072	541,440	2,394,480	1,762,721	2,705,079	1,349,773	10,922,565
Third-party support	904,900	264,000	37,500	-	-		1,206,400
Direct institutional support	566,534	210,600	1,485,081				2,262,215
NCAA/conference distributions including all tournament revenues	5,128,270	4,821,284		412,861			10,362,415
Broadcast, television, radio and internet rights				790,000			790,000
Program sales, concessions, novelty sales and parking	1,389,125	112,772	103,159	1,250,117			2,855,173
Royalties, advertisements and sponsorships	130,000			1,775,834			1,905,834
Endowment and investment income				1,084,372			1,084,372
Other	328,655	45,811	31,677	232,040			638,183
Subtotal operating revenues	32,029,238	7,805,856	4,531,026	7,307,945	2,705,079	1,349,773	55,728,917
OPERATING EXPENDITURES AND MANDATORY TRANSFERS:							
Athletic student aid	2,248,844	686,057	3,786,383	831,679	3,166	18,202	7,574,331
Guarantees	2,150,000	547,127	131,051	-		-	2,828,178
Coaching salaries, benefits and bonuses paid by the institution and related entities	2,593,412	1,977,029	2,823,146				7,393,587
Coaching other compensation and benefits paid by a third party	904,900	264,000	37,500				1,206,400
Support staff/administrative salaries, benefits and bonuses paid by the institution and related entities	576,011	221,905	93,839	5,921,071	1,005,272	1,163,494	8,981,592
Recruiting	315,610	210,724	233,682			-	760,016
Team travel	1,210,506	723,938	905,834	162,799	52,666	18,454	3,074,197
Equipment, uniforms and supplies	466,939	61,093	331,896	118,210	4,365	1,903	984,406
Game expenses	1,753,007	333,792	280,654	-		-	2,367,453
Fund raising, marketing and promotion				235,622	1,329,238		1,564,860
Direct facilities, maintenance and rental	90,570	10,622	18,507	2,091,020		7,972	2,218,691
Indirect facilities and administrative support	-	-		678,120		-	678,120
Other operating expenses	1,123,309	625,229	460,126	5,128,173		139,748	7,476,585
Total operating expenditures	13,433,108	5,661,516	9,102,618	15,166,694	2,394,707	1,349,773	47,108,416
EXPENDITURES AND MANDATORY TRANSFERS (CONTINUED):							
Mandatory transfers:							
Principal and interest				1,412,650			1,412,650
	13,433,108	5,661,516	9,102,618	16,579,344	2,394,707	1,349,773	48,521,066

(Continued)

**CLEMSON UNIVERSITY
INTERCOLLEGIATE ATHLETIC PROGRAM
Statement of Revenues, Expenditures and Transfers
For The Year Ended June 30, 2007**

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

	Football	Basketball	Other Sports	Nonprogram Specific	IPTAY	IPTAY LEARNING CENTER	Total
NONMANDATORY TRANSFERS (IN)/OUT:							
Student services				11,000	-		11,000
Construction projects				766,036	310,372		1,076,408
Student band support				171,455	-		171,455
Departmental support				4,457,350			4,457,350
Total				5,405,841	310,372		5,716,213
Excess (deficiency) of revenues over expenses and transfers	\$ 18,596,130	\$ 2,144,340	\$ (4,571,592)	\$ (14,677,240)	\$	\$	\$ 1,491,638

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, 2007

(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 \$5,587,584 for capital items, which were funded by revenues related to athletics. Of these additions, \$343,320 related to equipment expenditures which are included in the statement of revenues, expenditures and transfers. The remaining \$5,244,264 of capital expenditures are building items which 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.