



TABLE OF CONTENTS

Executive Summary	iii
<hr/>	
Overview and Analysis	1
<hr/>	
Budget	
Delegation of Authority to the Administration	1
Summary Revenue and Expense by Program Budget	2
Summary Revenue and Expense by Account Budget	3
Operating Resources by Source	4
Operating Uses by Program	6
Operating Uses by Account	8
<hr/>	
Student Fees	
Academic Fee Schedule	
Undergraduate Student Academic Fee Schedule	1
Graduate Student Academic Fee Schedule	3
<hr/>	
Glossary	
Definition of Terms	1
<hr/>	

EXECUTIVE SUMMARY

Introduction

This document presents Clemson University's proposed FY 2011 Operating Budget and the Student Tuition and Fee Schedules as approved by the Board of Trustees on June 24, 2010. The proposed budget is an estimate of the anticipated sources and uses of funds in FY 2011. It reflects the University's plan and serves as a management tool to drive accountability by providing a reference point for measuring actual financial performance. Multiple views of the proposed operating budget are presented in the **Budget** section to promote a consistent, transparent basis for reporting financial performance to the Board throughout FY 2011.

Operating Budget Highlights:

Since June 30, 2008, Clemson has aggressively managed approximately \$75M in State funding cuts through increased revenue generation, reduced spending, reallocations and efficiency gains. The proposed FY 2011 Operating Budget supports a plan that allows the University to provide a top-quality education for students, expand research endeavors, and provide exemplary public service programs that will drive economic development in South Carolina. The University is meeting its mission objectives by supporting investments in quality and strategic initiatives, while continuing to implement strategic cuts and reallocations.

FY 2011 Revenues:

- Total Unrestricted Revenues are essentially flat at \$538.9M, which is 1.1% below FY 2008 levels. The percent increase over FY 2010 is negligible at 0.6%. This is less than the FY 2010 Higher Education Price Index (HEPI) of 2.2%. When including the projected use of fund balance resources to support the return of generated funds and research incentives, Total Unrestricted sources available for operations are projected to increase 3.7%. Major factors impacting Unrestricted Operating Revenues are as follows:
 - State Appropriations are projected to decline by more than \$25M on a recurring basis in FY 2011. The University will receive \$19.1M in one-time Stimulus funds to partially offset the FY 2011 cuts for one year.
 - Increases in undergraduate tuition and fees are expected to generate approximately \$18.0M in additional general fund revenue.
 - 7.5% tuition and fee increase for resident undergraduates
 - 8.0% tuition and fee increase for non-resident undergraduates

- Increased earmarked revenue for summer school, short courses and seminars, and on-line education account for an additional \$3.7M in projected increases. The remaining \$11.4M is attributable to unanticipated enrollment growth in the prior year - which was not reflected in the FY 2010 Initial Budget. It is important to note that this larger-than-anticipated enrollment growth helped to partially offset larger-than-anticipated state cuts in FY 2010 as well. In summary, the total increase in the student fee budget over the FY 2010 Initial Budget is \$33.1M - with a full third of the increase being in the prior year.
- Total Restricted Revenues are projected to increase \$21.2M (13.2%) in FY 2011 on top of the \$10.5M of growth experienced in FY 2010. This demonstrates a greater reliance on restricted sources, as the demands on unrestricted resources remain essentially flat.

FY 2011 Expenses:

- Total Unrestricted Expenses are projected to increase 3.7%, yielding projected unrestricted expenditures per student FTE of approximately \$23.2K, approximately 6.6% below FY 2007 costs. Total Restricted Expenses are expected to rise 13.2%. The major contributors impacting expense projections are as follows:
 - Scholarships and Fellowships are expected to increase \$16.2M in FY 2011, bringing the total to \$86.4M, which is more than the combined budgets for Institutional Support, Student Services and Operations & Maintenance. Additionally, the total budget for Scholarships & Fellowships is nearly equal to the total Classified Staff budget for FY 2011. The projected increase in scholarship and fellowship expenditures is almost equal to the projected increase in general fund revenue from tuition and fees.
 - Despite deep cuts, investments in Instruction and Research are expected to increase \$14.9M and \$6.2M, respectively. Expenses related to Institutional Support continue to decline, demonstrating the University's commitment to invest in core mission activities and increase efficiencies.
 - Public Service expenses are projected to decline \$5M as a result of additional recurring State cuts to Public Service and Agriculture (PSA) of \$6.7M.

Restatement of FY 2009 - 2010 Initial Budget:

- The two most significant restatements are as follows:
 - State instructions originally advised the University to budget Federal Stimulus funds as restricted grants and contracts revenue. As a result of subsequent guidance from the State, the University's \$17.2M in Stimulus funding has been reclassified to Unrestricted Federal Stimulus Revenue.
 - Clemson Computing and Information Technology's annual cost allocation of \$21.1M was reclassified programmatically to accurately project where the allocations will occur. Historically, the Information Technology allocation was performed as a year-end adjusting entry and was not reflected in the University's budget.

PROPOSED FY 2011 OPERATING BUDGET (IN 000's)

The total proposed operating budget for FY 2011 is \$797.4M, 5.6% above the FY 2010 budget. It is comprised of three major components – Unrestricted Operating Funds, Restricted Funds, and Non-Cash Items. The total budgets for these components are summarized in **Figure 1**.

Figure 1. Operating Budget by Resource Category

Operating Resources	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent of Total	Change Amount	Percent Change
Unrestricted	\$ 574,532	\$ 554,198	72.1%	\$ 20,334	↑ 3.7%
Restricted	\$ 181,906	\$ 160,676	22.8%	\$ 21,230	↑ 13.2%
Non-Cash Items	\$ 40,944	\$ 40,249	5.1%	\$ 695	↑ 1.7%
Total Sources	\$ 797,382	\$ 755,123	100.0%	\$ 42,259	↑ 5.6%

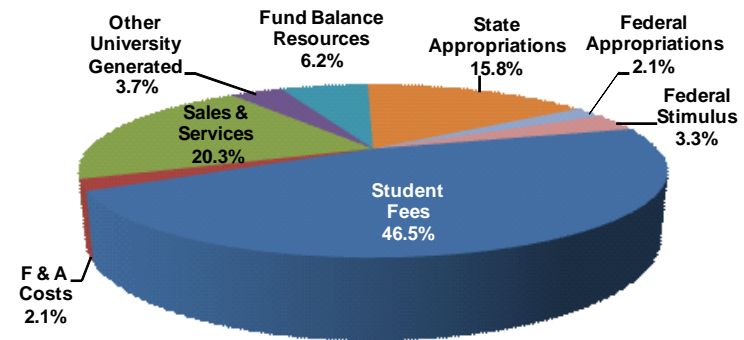
- As highlighted in the Executive Summary, Total Unrestricted Operating Revenues are projected to remain essentially flat - increasing 0.6% - less than the HEPI of 2.2%. Utilizing approximately \$35.7M in prior years' fund balances for priorities provides a small increase of approximately 3.7% in available resources for the year. The total Unrestricted available resources are projected to be \$574.5M, and represent 72.1% of the proposed budget. These unrestricted funds are available to further the mission activities of the University.

Excluding non-cash items and prior years' fund balance, Unrestricted Operating Resources include three major categories of funding:

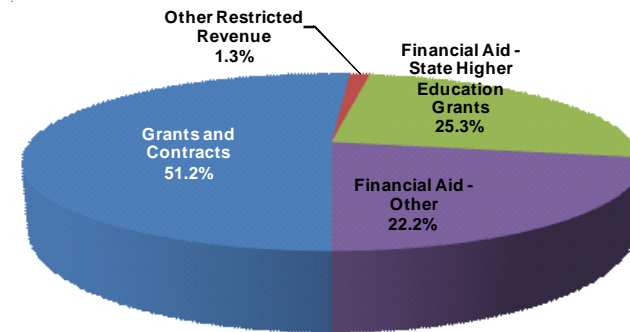
- **Educational & General (E&G)** operating revenues comprise 49.6% of the total budget, and 68.8% of the unrestricted budget. E&G operating revenues are expected to increase 3.1% to \$370.5M.
- **Public Service Activities (PSA)** operating revenues are approximately 9.2% of the total budget, and 12.8% of the unrestricted budget. PSA operating revenues are expected to decrease 14.0% to \$62.2M, the lowest amount in the last decade.
- **Auxiliary Enterprises** operating revenues represent 13.3% of the total budget, and 18.4% of the unrestricted budget. Auxiliary Enterprises operating revenues are expected to increase 2.5% to \$106.1M, approximately 4.7% less than FY 2009 levels.
- **Projected Utilization of Prior Years' Fund Balances** accounts for the remaining \$35.7M.

- Restricted Resources are projected to increase by 13.2% to \$181.9M, and account for 22.8% of the total budget. Restricted funds are limited by legal requirements and are available for a designated purpose. Restricted Funds include three major categories of funding:
 - **Scholarships and Student Aid** revenues are expected to increase 19.5% to \$85.6M, almost 2.5 times the actual amount in FY 2001.
 - **Sponsored Programs Activities** revenues are projected to rise by 3.7% to \$79.5M, a growth of 39.6% from FY 2001.
 - **Other Restricted** revenues are forecasted to increase by 35.9% to \$16.8M, approximately 1.5 times the actual amount in FY 2001.
- Non-Cash Items represent 5.1% of the total budget and includes Non-Cash Waivers only, which are a valuable tool supporting the University's recruitment and retention of quality students.

Graph 1. - Unrestricted Operating Budget



Graph 2. - Restricted Operating Budget



PROPOSED FY 2011 OPERATING RESOURCES BUDGET (In 000's)

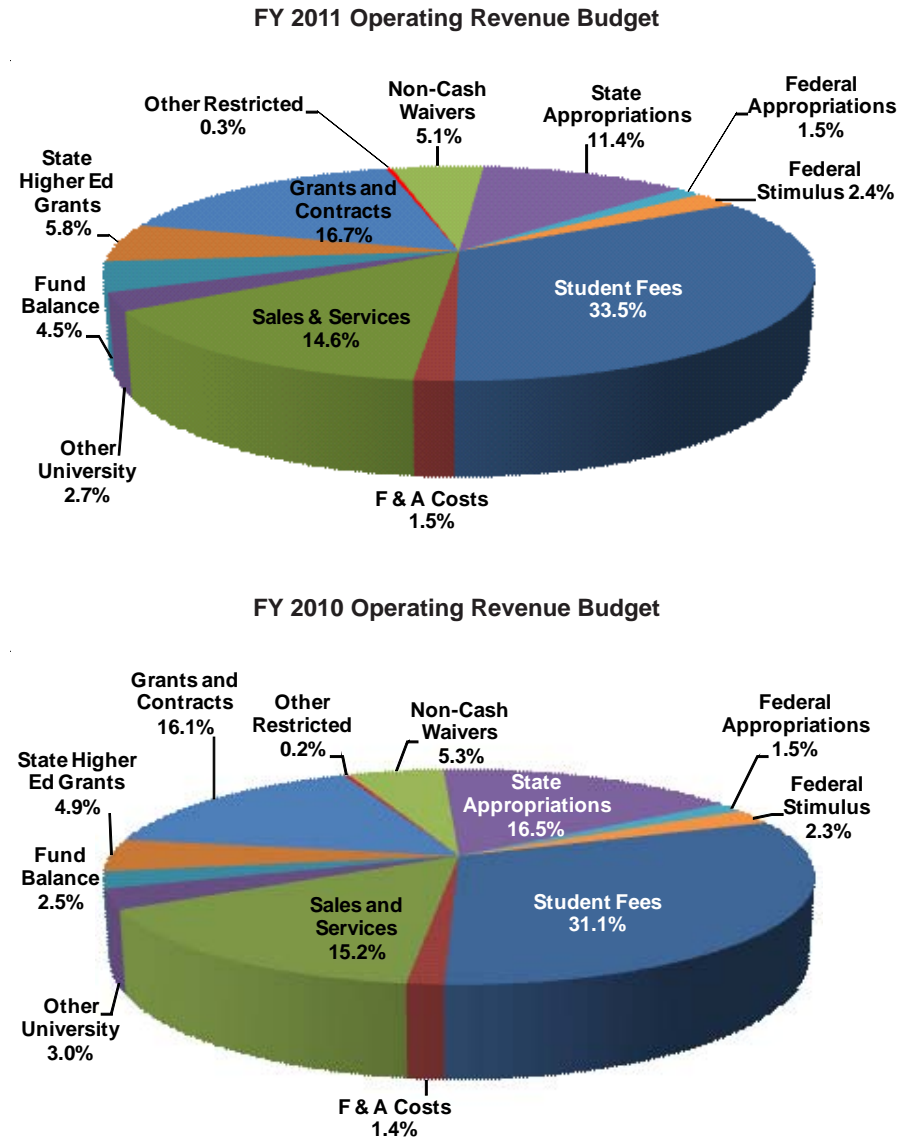
The operating resources budget consists of the major funding sources shown in Figure 2:

Figure 2. Operating Resources Budget

Revenue Source	FY 2010-11 Proposed Budget	Percent of Total FY 2010-11 Budget
Unrestricted Operating Revenue Budget		
State Appropriations	\$ 90,648	11.4%
Federal Appropriations	11,964	1.5%
Federal Stimulus	19,085	2.4%
Student Fees	267,344	33.5%
Facilities and Administrative Cost Recoveries	12,100	1.5%
Sales and Services	116,409	14.6%
Other University Generated	21,315	2.7%
Fund Balance Resources	35,667	4.5%
Total Unrestricted Operating Revenue Budget	\$ 574,532	72.1%
Restricted Operating Revenue Budget		
State Higher Education Grants	\$ 46,046	5.8%
Grants and Contracts	133,360	16.7%
Other Restricted Revenue	2,500	0.3%
Total Restricted Operating Revenue Budget	\$ 181,906	22.8%
Graduate and Undergraduate Waivers (Non-cash)	\$ 40,944	5.1%
Total Clemson FY 2011 Operating Budget	\$ 797,382	100.0%

Graph 3 illustrates the distribution of the University's revenue by funding sources and provides a comparison between FY 2010 and 2011. It demonstrates the impact of State funding cuts on a proportional basis and the greater role of Student Fees, Grants & Contracts, and other revenue sources.

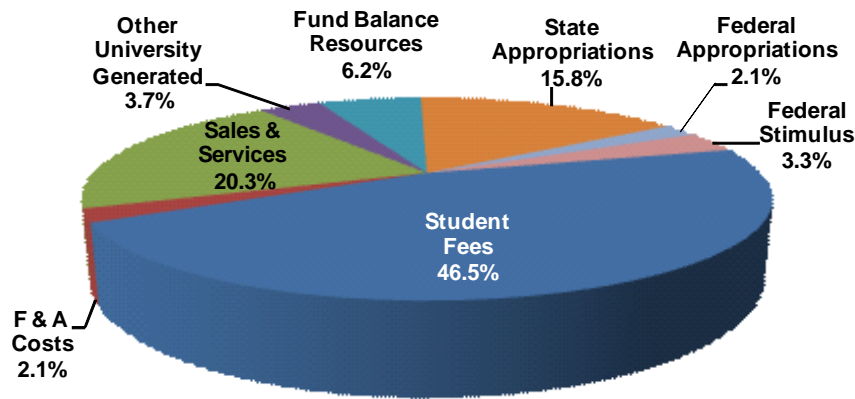
Graph 3. - Distribution of Revenue Sources



UNRESTRICTED OPERATING RESOURCES BUDGET (In 000's)

The Unrestricted Resource budget represents 72.1% of the overall operating resources, and its distribution is shown in **Graph 4**.

Graph 4. Distribution of Unrestricted Funding Sources



The following sections provide a summary analysis of the FY 2011 budget for each of the University's unrestricted funding sources.

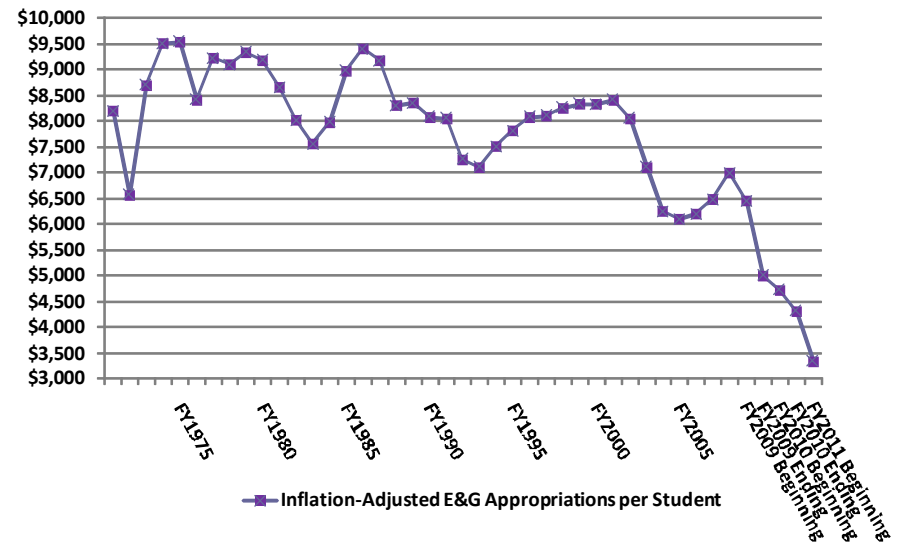
◆ State Appropriations↓

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 90,648	\$ 124,744	↓ \$(34,096)	↓ (27.3)%

As a result of cumulative state budget cuts, the State Appropriations budget is decreasing by \$34.1M to \$90.6M. State Appropriations represent 15.8% of the unrestricted operating revenue budget and 11.4% of the overall budget. At the beginning of FY 2010, State Appropriations were 22.5% of the unrestricted operating budget and 16.5% of the total budget.

Net cuts in State funding since FY 2008 total \$74.8M, a net reduction of 45.3%. Adjusted for inflation, E&G State funding per student is approximately 60% lower than it was in the early 1970s.

Graph 5. — CU Inflation - Adjusted Educational and General State Appropriations per Student



◆ Federal Appropriations↑

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 11,964	\$ 11,559	↑ \$ 405	↑ 3.5%

Federal Appropriations are a small percentage of the University's total revenue sources (1.5%). Public Service and Agriculture is the only division in the University projected to receive unrestricted federal appropriations in FY 2011. Federal Appropriations represent 16.3% of PSA's total unrestricted resources.

◆ **Student Fees (includes Cash Waivers)↑**

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 267,344	\$ 234,195	↑ \$ 33,149	↑ 14.2%

Student Fees represent the largest single source of revenue for the University. The FY 2011 projected Student Fees accounts for 46.5% of the unrestricted budget and 33.5% of the total budget.

The Board of Trustees approved a 7.5% and 8.0% increase for resident and non-resident tuition and fees, respectively, for Fall 2010. The tuition and fee increase is expected to generate approximately \$18.0M in additional general fund revenues for the coming year. Increases in summer school, off-campus, online education and other earmarked programs account for an additional \$3.7M in growth. The remaining \$11.4M is attributable to larger-than-anticipated increases in enrollment in the prior year, which was not reflected in the FY 2010 Initial Budget. It is important to note that the unanticipated enrollment growth also helped to partially offset higher-than-anticipated state funding cuts in FY 2010. Finally, it is important to note that the total incremental increase in student fee revenue is less than the University's State funding cuts in FY 2010 and 2011.

◆ **Facilities and Administrative Cost Recoveries↑**

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 12,100	\$ 10,940	↑ \$ 1,160	↑ 10.6%

The University recovers Facilities and Administrative Costs (F&A) from extramural sources to cover its overhead costs when used for sponsored program activities. As a result of increased sponsored program activity, F&A Cost Recoveries are expected to increase 10.6%, and represent 1.5% of total revenue sources.

◆ **Sales and Services↑**

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 116,409	\$ 114,946	↑ \$ 1,463	↑ 1.3%

Sales and Services are the result of mission-oriented revenue generating activities in the Educational and General, Public Service and Agricultural areas, as well as in Auxiliary Enterprises. While Sales and Services revenues are expected to increase 1.3% overall in FY 2011, Public Service Activities will experience a 9.6% decrease and Auxiliary Enterprises will grow by 3.3%.

◆ **Other University Generated Revenues↓**

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 21,315	\$ 21,827	↓ \$(512)	↓ (2.3)%

Other University Generated revenue is projected to decrease 2.3%. This revenue source represents 2.7% of the total revenue budget and 3.7% of the unrestricted revenue budget. Approximately 90.5% of Other University Generated Revenue is produced by Educational and General activities, such as summer camps. The current economic climate has had a negative impact on several areas generating revenues from events, workshops, royalties and services for external customers.

◆ **Graduate and Undergraduate Waivers (Non-Cash)↑**

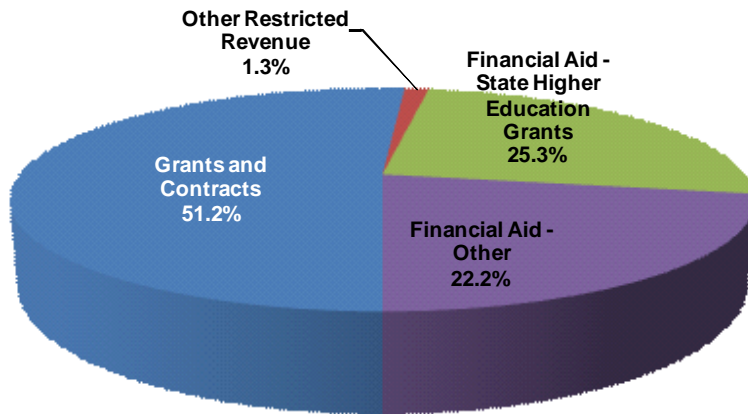
FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 40,944	\$ 40,249	↑ \$ 695	↑ 1.7%

Non-cash waivers do not have a cash flow impact and should not be viewed as a monetary operating resource. However, these waivers are important to the University's financial aid strategy and allow Clemson to recruit and retain quality students. Non-cash waivers are expected to increase 1.7% in FY 2011.

RESTRICTED OPERATING RESOURCES BUDGET (IN 000's)

The restricted operating revenue budget accounts for 22.8% of the University's overall resources. The distribution of the restricted revenue budget is described in **Graph 6**.

Graph 6. — Distribution of Restricted Resources



The following sections provide an analysis of the FY 2011 budget for each of the University's restricted funding sources.

◆ Financial Aid — State Higher Education Grants↑

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 46,046	\$ 37,367	↑ \$ 8,679	↑ 23.2%

State Higher Education Grants, primarily Life and Palmetto Scholarships, comprise 5.8% of the projected total revenue budget and 25.3% of the restricted revenue budget. The FY 2011 budget for State Higher Education Grants is more than 400% higher than the actual amount received in FY 2000.

◆ Financial Aid — Grants & Contracts and Other Revenues↑

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 40,415	\$ 34,517	↑ \$ 5,898	↑ 17.1%

Financial Aid Grants and Contracts and Other Revenues are expected to increase 17.1%, with Federal student aid increasing by \$4.3M and major University-funded scholarships increasing by \$1.6M.

◆ Grants and Contracts (excludes Financial Aid)↑

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 93,098	\$ 87,531	↑ \$ 5,567	↑ 6.4%

Grants and Contracts, excluding Financial Aid, are comprised of Sponsored Programs Activities and other earmarked funds from external sources. Sponsored Program Activity is projected to increase 3.6% as compared to the FY 2010 operating revenue budget. Other Restricted Grants and Contracts are projected to grow 25.8%, mostly split between the College of Engineering and Science (CoES) and the College of Health, Education and Human Development (HEHD).

◆ Other Restricted Revenue (excludes Financial Aid)↑

FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
\$ 2,347	\$ 1,056	↑ \$1,291	↑122.3%

Other Restricted Revenue is another small revenue resource representing 0.3% of projected total revenue and 1.3% of restricted revenue. The increase projected is a result of growth in CoES programs.

PROPOSED OPERATING USES BUDGET BY PROGRAM (In 000's)

Clemson's proposed operating expense budget for FY 2011 is \$797.4M. The expense budget is presented by program and by account category. The expense budget by program is presented first, as it reflects the University's plan and programmatic priorities. It is summarized in **Figure 3** and **Graph 7**.

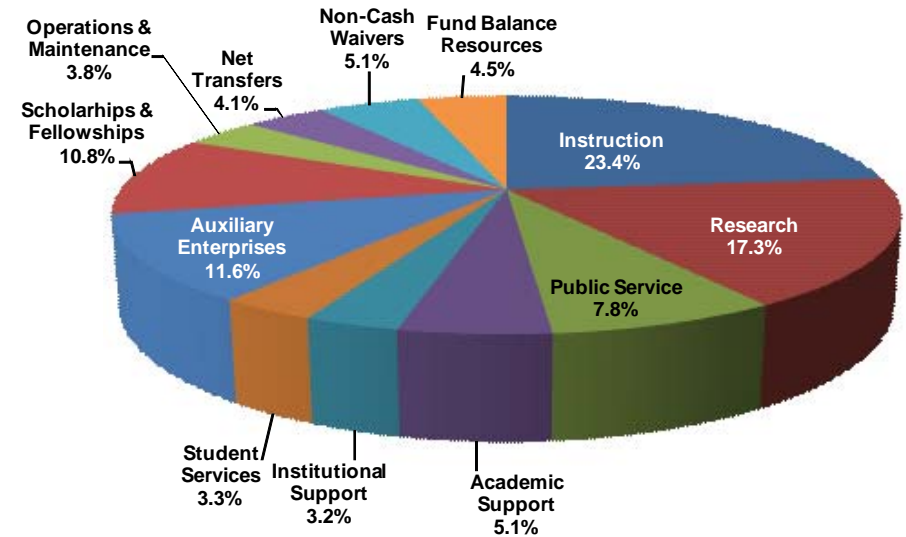
Figure 3. Operating Expense Budget by Program

Program	Unrestricted	Restricted	Total
Instruction	\$ 181,002	\$ 5,486	\$ 186,488
Research	67,016	71,000	138,016
Public Service	47,001	15,385	62,386
Academic Support	38,576	2,435	41,011
Institutional Support	24,327	1,206	25,533
Student Services	26,209	154	26,363
Auxiliary Enterprises	92,346	—	92,346
Scholarships and Fellowships	15,290	71,155	86,445
Operations and Maintenance	29,851	36	29,887
Net Transfers	17,247	15,049	32,296
Fund Balance Resources	35,667	—	35,667
Total Operating Expense Budget by Program (Cash)	\$ 574,532	\$ 181,906	\$ 756,438
Non-Cash Waivers	40,944	—	40,944
Total Operating Expense Budget by Program	\$ 615,476	\$ 181,906	\$ 797,382

Instruction is projected as the largest expenditure category on a program basis. This aligns with Budget Task Force recommendations to protect Clemson's academic core. Instruction represents 23.4% of total projected expenses and is expected to increase above FY 2010 levels by 8.7%. Research expenditures are the second largest program category and are projected to grow 4.7% above the FY 2010 budget. The third largest program component, Auxiliary Enterprises, is expected to increase 5.3%. The fourth largest program component, Scholarships & Fellowships, is expected to increase \$16.2M in FY 2011, bringing the total to \$86.4M, which is more than the combined budgets for Institutional Support, Student Services and Operations & Maintenance. Additionally, the total budget for Scholarships & Fellowships is nearly

equal to the total Classified Staff budget for FY2011. The projected increase in scholarship and fellowship expenditures is almost equal to the projected increase in general fund revenue from tuition and fees.

Graph 7. - Distribution of Expenses by Program



The sections that follow provide a summary discussion of each program category.

◆ Instruction↑

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 181,002	\$ 167,122	↑ \$ 13,880	↑ 8.3%
Restricted	\$ 5,486	\$ 4,426	↑ \$ 1,060	↑ 23.9%

The FY 2010 Revised Initial budget for Unrestricted Instruction was restated as a result of significant improvements in budgeting practices for FY 2011 in the College of Engineering and Science (CoES). Historically, the college budgeted most faculty salaries as Instruction, and then "reclassified" to Research as grant funding became available. For FY 2010 this amount was \$11M. Given the more accurate budgeting practice in the college, it is appropriate to restate the FY 2010 initial budget in order to make valid comparisons going forward.

Projected expenses for instructional activities are expected to increase in both the unrestricted and restricted budgets by 8.3% and 23.9%, respectively. Unrestricted Instruction represents 22.7% of the total budget. The \$13.9M increase in Unrestricted Instruction is partially due to the inclusion of \$3.4M in one-time costs associated with efforts to permanently reduce personnel costs. The remaining half of these expenses is included in the Research budget. Additionally, off-campus and study abroad program revenues continue to increase, which will support approximately \$3.7M in related instructional activities. The overall 8.7% increase in Instruction demonstrates a continued commitment to invest in activities that will result in the University providing a top-quality education for students.

◆ **Research↑**

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 67,016	\$ 64,982	↑ \$ 2,034	↑ 3.1%
Restricted	\$ 71,000	\$ 66,872	↑ \$ 4,128	↑ 6.2%

Unrestricted research expenditures are expected to increase minimally in the coming year, approximately 3.1%. Sponsored program activities supporting research are projected to increase by a slightly larger percentage, 3.7% (\$2.2M) above FY 2010 funding levels. The total research increase is approximately \$6.2M or 4.7%.

Within the Unrestricted Research budget, the E&G portion is projected to increase by approximately \$5.3M, while the PSA portion is projected to decline by \$3.2M. Actual Unrestricted Research activity is projected to decrease slightly, but programmatic research costs will increase slightly due to the projected one-time costs associated with voluntary personnel reduction plans.

Restricted research expenditures are projected to increase by 6.2%. Sponsored programs research is expected to grow by 3.7%. Other restricted research is forecasted to increase by 30.2% (\$1.9M), which is mostly divided between CoES and HEHD.

◆ **Public Service↓**

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 47,001	\$ 52,876	↓ \$(5,875)	↓ (11.1)%
Restricted	\$ 15,385	\$ 14,528	↑ \$ 857	↑ 5.9%

Total public service expenses are projected to decrease 7.4% in FY 2011. The total public service budget has increased by approximately 7% from FY 2001, but the proportion of unrestricted versus restricted has shifted significantly, with restricted increasing from 13% in FY 2001 to 25% in FY 2011.

The unrestricted public service budget is projected to decrease by 11.1%, approximately \$5.9M. This is primarily due to the cumulative 45.9% reduction in PSA's State funding. PSA is significantly reducing staffing levels supported by unrestricted funds in response to the cuts. The restricted public service budget is expected to increase 5.9%, or \$857K, with the major contributors being the Outdoor Laboratory for \$272K and the Sandhill Research and Education Center for \$286K.

◆ **Academic Support↑**

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 38,576	\$ 33,377	↑ \$ 5,199	↑ 15.6%
Restricted	\$ 2,435	\$ 2,674	↓ \$(239)	↓ (8.9)%

Academic Support represents 5.1% of the proposed expense budget, and the total Academic Support budget is increasing by 13.8%. Most of the increase in Academic Support (\$3.7M) is due to more accurate budgeting practices in the academic colleges and support units, particularly in the Honors program and Undergraduate Studies for revenue increases. Additionally, the Computer Center anticipates additional revenue, which will support \$1.4M in additional expenses.

◆ Institutional Support↓

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 24,327	\$ 30,813	↓ \$(6,486)	↓(21.0)%
Restricted	\$ 1,206	\$ 252	↑ \$ 954	↑378.6%

Institutional Support includes administrative support activities, such as fiscal operations, legal services, and human resources. In total, projected institutional support is 3.2% of the FY 2011 total expense budget — less than 1/3 of the level of projected scholarship expenditures for FY 2011. Over the course of FY 2009 and FY 2010, substantial cuts have been made in Institutional Support areas. Approximately \$5.1M of the overall decline resulted from reallocations to fund core mission activities.

◆ Student Services↑

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 26,209	\$ 25,195	↑ \$ 1,014	↑ 4.0%
Restricted	\$ 154	\$ 166	↓ \$(12)	↓ (7.2)%

Student Services represents 3.3% of the total projected FY 2011 expense budget. Student Services includes expenditures contributing to the emotional and physical well being of Clemson students and includes counseling and career guidance and student organizations. Quality student services are a critical element of the University's ability to retain its students.

The Unrestricted Student Services budget is increasing by 4.0% or \$1.0M. Growth is primarily attributable to increased costs and services in Student Health Services, as well as other service and cost increases in areas such as Financial Aid and Student Disability Services.

◆ Auxiliary Enterprises↑

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 92,346	\$ 87,706	↑ \$ 4,640	↑ 5.3%
Restricted	\$ —	\$ —	\$ —	—%

The Auxiliary Enterprises expense budget is expected to increase 5.3% in FY 2011. This largely reflects planned investments in major deferred maintenance and improvements in Housing and Dining facilities.

◆ Operations and Maintenance↓

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 29,851	\$ 31,164	↓ \$(1,313)	↓(4.2)%
Restricted	\$ 36	\$ —	\$ 36	—%

Projected Operations and Maintenance expenses are only 3.7% of the total expense budget and are anticipated to decrease again in FY 2011, a decrease of approximately 4.1%. This category includes expenses related to utilities, police, fire, as well as traditional facilities support costs.

◆ Scholarships and Fellowships↑

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 15,290	\$ 13,358	↑ \$ 1,932	↑ 14.5%
Restricted	\$ 71,155	\$ 56,849	↑ \$ 14,306	↑ 25.2%

Scholarships and Fellowships, the fourth largest expenditure category, is expected to increase \$16.2M in FY 2011, bringing the total to \$86.4M, which is more than the combined budgets for Institutional Support, Student Services and Operations & Maintenance.

The projected incremental increase in scholarship and fellowship expenditures is almost equal to the projected incremental increase in general fund revenue from tuition and fees. The University's expenses in this category have more than doubled since FY 2000.

◆ Net Transfers, Non-Cash Waivers and Fund Balance Resources

Net Transfers, Non-Cash Waivers and Expended Fund Balance Resources are applied in the same manner to the expense budget by program and account. These activities will be discussed in detail in a later section.

PROPOSED OPERATING USES BUDGET BY ACCOUNT CATEGORY

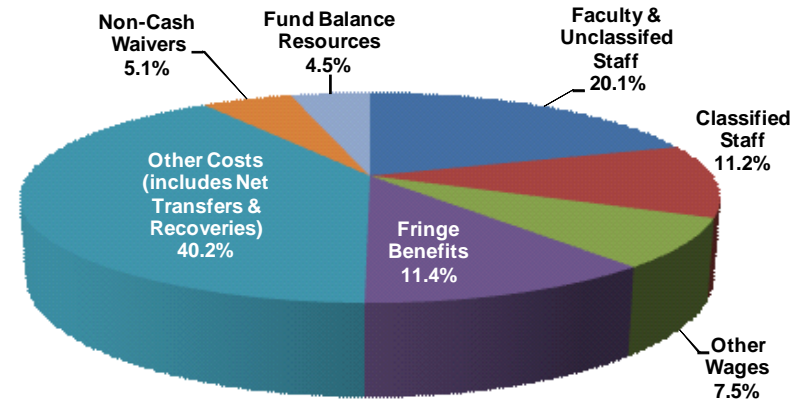
The proposed operating uses by account category for FY 2011 are summarized below in **Figure 4** and **Graph 8**. The expense budget is comprised of four major account categories including Compensation and Benefits, Other Costs, Fund Balance Resources and Non-Cash items.

Figure 4. Operating Expense Budget by Account Category

Account Category	Unrestricted	Restricted	Total
Compensation and Benefits:			
Faculty and Unclassified Staff	\$ 148,477	\$ 11,734	\$160,211
Classified Staff	86,157	3,420	89,577
Other	33,192	26,424	59,616
Fringe Benefits	81,781	8,844	90,625
Total Compensation and Benefits	\$ 349,607	\$ 50,422	\$ 400,029
Other Costs (include Net Transfers and Recoveries)	189,258	131,484	320,742
Fund Balance Resources	35,667	—	35,667
Total Operating Expense Budget (Cash)	\$ 574,532	\$ 181,906	\$ 756,438
Non-Cash Waivers	40,944	—	40,944
Total Operating Expense Budget	\$ 615,476	\$ 181,906	\$ 797,382

Compensation and Benefits represent approximately 50.2% of the operating expense budget. The remainder of the expense budget is distributed between Other Costs (40.2%), Non-Cash Waivers (5.1%) and Fund Balance Resources (4.5%). Other Costs include items such as travel, supplies and services and equipment. The following sections describe the operating uses of resources by account category for the proposed Unrestricted and Restricted operating budgets.

Graph 8. - Distribution of Expenses by Account Category



◆ Compensation and Benefits

Unrestricted Uses

Account Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Faculty and Unclassified Staff	\$ 148,477	\$ 148,850	↓\$ (373)	↓(0.3)%
Classified Staff	\$ 86,157	\$ 88,024	↓\$(1,867)	↓(2.1)%
Other	\$ 33,192	\$ 28,301	↑\$ 4,891	↑17.3%
Fringe Benefits	\$ 81,781	\$ 77,864	↑\$ 3,917	↑5.0%
Total Compensation and Benefits	\$349,607	\$343,039	↑\$ 6,568	↑1.9%

◆ **Compensation and Benefits (continued)**

Restricted Uses

Account Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Faculty and Unclassified Staff	\$ 11,734	\$ 11,943	↓\$ (209)	↓(1.7)%
Classified Staff	\$ 3,420	\$ 3,280	↑\$ 140	↑ 4.3%
Other	\$ 26,424	\$ 20,821	↑\$ 5,603	↑26.9%
Fringe Benefits	\$ 8,844	\$ 10,086	↓\$(1,242)	↓(12.3)%
Total Compensation and Benefits	\$ 50,422	\$ 46,130	↑\$ 4,292	↑9.3%

Excluding the projected one-time costs associated with the University's voluntary personnel reduction plans, Compensation and Benefits are projected to increase only 1.1% in FY 2011, which is less than both HEPI and the CPI. Factoring in the one-time costs of these personnel reduction programs, total compensation and benefits are projected to increase approximately 2.7%.

Unrestricted expenses for Faculty and Unclassified Staff and Classified Staff declined nearly 2.4% excluding the one-time costs of the personnel reduction plans. Factoring in these one-time costs, compensation and benefits for permanent faculty and staff are still projected to decrease by 1%. Consistent with the reduction in permanent staffing, unrestricted costs for temporary, undergraduate and graduate student employees are projected to increase 17.3%. As unrestricted state appropriations continue to be reduced, the University is looking to other sources of funding for faculty and staff salaries. Reflecting this trend is that Restricted Compensation and Benefits are projected to increase 9.3%, and restricted investments in temporary and student employees are projected in increase 26.9%.

The projected Restricted Compensation and Benefits are 6.3% of the total FY 2011 operating expense budget. Other salary expense budget for Sponsored Program Activities is increasing by 27.9%, due to the rising use of graduate students. Restricted funds generated from the projected increase in Sponsored Programs Activities (3.7%) will fund positions that would normally be supported by unrestricted dollars.

Unrestricted Fringe Benefits, excluding the one-time costs of the voluntary personnel reduction plans, are projected to be flat. All of the growth in this category is attributable to the projected one-time costs of the reduction plans. Restricted Fringe Benefits are projected to decline by 12.3% as a result of a lower fringe rate for employees classified as other, as well as declining rates for permanent employees

paid from restricted funds. In summary, normal Fringe Benefits costs are projected to decrease in the coming year.

◆ **Other Costs↑**

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 220,267	\$ 204,119	↑\$ 16,148	↑7.9%
Restricted	\$ 116,435	\$ 99,642	↑\$ 16,793	↑16.9%

Other costs represent approximately 38.3% of the unrestricted expense budget (cash). Of the anticipated \$16M increase in unrestricted Other Costs, \$9.6M is designated to fund strategic initiatives, such as new start-up packages and classes under 20, and to brace against potential State budget cuts.

Investments in Restricted Other Costs are expected to increase 16.9%. Restricted Other Costs comprise 14.6% of the total expense budget and 64.0% of the restricted expense budget. Of the projected \$16.8M increase in Restricted Other Costs, scholarship expenditures account for 82.1% of this increase, or \$13.8M. State-supported scholarships increased for the eleventh straight year. The total budget for Scholarships & Fellowships is nearly equal to the total Classified Staff budget for FY 2011. At \$86.4M, total unrestricted and restricted scholarship funding, including Federal, private, grant and other support, has more than doubled since FY 2000, when total scholarship support was \$40.4M.

◆ **Recoveries (Presented on a Revenue Basis)↑**

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 48,256	\$ 40,565	↑\$ 7,691	↑ 19.0%
Restricted	\$ —	\$ 5	↓ \$(5)	↓(100.0)%

Recoveries are revenues generated from sales and services or allocation of costs to internal customers of the University. Recoveries include revenues generated from the internal sale and distribution of telecommunication, information technology, fuel, facilities services and departmental services. The majority of the \$7.7M increase in unrestricted recoveries is due to departmentally funded renovations and projects that will be managed by Facilities (\$3.1M) and \$1.6M in additional computer center costs that will be allocated to campus.

Explanation of Net Transfers and Non-Cash Expenses

◆ Net Transfers↓

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 17,247	\$ 28,810	↓\$(11,563)	↓(40.1)%
Restricted	\$ 15,049	\$ 14,909	↑ \$ 140	↑ 0.9%

Net transfers include internal transfers of resources between operating unrestricted and restricted funds and funding for debt service and capital projects. Internal transfers routinely include the funding of student activities and funding of athletic scholarships from IPTAY. Capital projects and debt service are funded by transfers of student fees and auxiliary funds. The FY 2010 budget included approximately \$10.0M for a transfer of E&G federal stimulus support to plant funds for the Lee Hall renovations, contributing to the decrease in net transfers for FY 2011.

◆ Non-Cash Waivers↑

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 40,944	\$ 40,249	↑ \$ 695	↑ 1.7%
Restricted	\$ —	\$ —	\$ —	—%

Non-Cash waivers have no impact on cash flow; however, they are an important part of Clemson's financial aid strategy. Waivers are used to attract and retain high quality students. This expense is expected to increase 1.7% in FY 2011.

◆ Fund Balance Resources↑

Resource Category	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 35,667	\$ 18,795	↑ \$ 16,872	↑ 89.8%
Restricted	\$ —	\$ —	\$ —	—%

The University projects that it will utilize up to \$35.7M of prior years' fund balance resources, primarily for the return of generated funds, start-up commitments, and research incentives. Fund balances are also utilized to make investments in labs, classrooms and other capital investments funded by individual budgetary units. The use of fund balance resources increased \$16.9M, reflecting self-generated revenue growth in the prior year, and very conservative spending patterns across campus in the face of major recurring state funding cuts.

Delegation of Authority to the Administration

In approving budgets, the Board of Trustees recognizes that (1) amounts budgeted as income are estimates and subject to change, (2) amounts budgeted for expenditures are a reflection of plans and workload estimates as of the time the budget is prepared, (3) each day may bring new challenges and developments requiring adjustments in plans, programs, estimates, and budget items. To provide for continuity and essential flexibility in operations, the Board of Trustees reaffirms the delegation of necessary authority to the President to act in all matters, and to the Chief Financial Officer to act in fiscal, contractual and other business matters, including specifically, authority to negotiate and make timely changes in contracts, to approve transfers and expenditures of funds permitted in the General Appropriations Act, including those funds commonly referred to as “contribution or gift funds” to be retained at the University, to adjust operating, permanent improvement and other income and expenditure items, and to take such other actions considered necessary in fiscal, contractual and other business matters in response to changing conditions and estimates. The Chairman of the Board, the Finance and Facilities Committee, the Executive and Audit Committee, or the full Board is to be consulted for further specific directions and approval as conditions appear to warrant.

SUMMARY REVENUE AND EXPENSE BY PROGRAM BUDGET

(dollars in thousands)

	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change		FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change
Operating Resources				Operating Uses			
Unrestricted Revenue:				Unrestricted Expense:			
State Appropriations	\$ 90,648	\$ 124,744	(27.3)%	Instruction	\$ 181,002	\$ 167,122	8.3%
Federal Appropriations	11,964	11,559	3.5%	Research	67,016	64,982	3.1%
Federal Stimulus	19,085	17,192	11.0%	Public Service	47,001	52,876	(11.1)%
Student Fees	265,308	232,489	14.1%	Academic Support	38,576	33,377	15.6%
Graduate and Undergraduate Waivers	2,036	1,706	19.3%	Institutional Support	24,327	30,813	(21.0)%
Facilities and Administrative Cost Recoveries	12,100	10,940	10.6%	Student Services	26,209	25,195	4.0%
Sales and Services	116,409	114,946	1.3%	Auxiliary Enterprises	92,346	87,706	5.3%
Other University Generated	21,315	21,827	(2.3)%	Scholarships and Fellowships	15,290	13,358	14.5%
				Operations and Maintenance	29,851	31,164	(4.2)%
				Net Transfers	17,247	28,810	(40.1)%
Total Unrestricted Revenue	538,865	535,403	0.6%	Current Unrestricted Expense	538,865	535,403	0.6%
Fund Balance Resources	35,667	18,795	89.8%	Expended Fund Balance Resources	35,667	18,795	89.8%
Total Unrestricted Revenue and Fund Balance Resources	574,532	554,198	3.7%				
				Total Unrestricted Expense	574,532	554,198	3.7%
Restricted Revenue:				Restricted Expense:			
State Higher Education Grants	46,046	37,367	23.2%	Instruction	5,486	4,426	23.9%
Grants and Contracts	133,360	121,671	9.6%	Research	71,000	66,872	6.2%
Investment and Endowment Income	—	490	(100.0)%	Public Service	15,385	14,528	5.9%
Other Revenues	2,500	1,148	117.8%	Academic Support	2,435	2,674	(8.9)%
				Institutional Support	1,206	252	378.6%
				Student Services	154	166	(7.2)%
				Auxiliary Enterprises	—	—	0.0%
				Scholarships and Fellowships	71,155	56,849	25.2%
				Operations and Maintenance	36	—	0.0%
				Net Transfers	15,049	14,909	0.9%
Total Restricted Revenue	181,906	160,676	13.2%	Total Restricted Expense	181,906	160,676	13.2%
Total Revenue and Fund Balance Resources	756,438	714,874	5.8%				
				Total Expense	756,438	714,874	5.8%
Non Cash Resources				Non Cash Uses			
Graduate and Undergraduate Waivers	40,944	40,249	1.7%	Graduate and Undergraduate Waivers	16,444	15,749	4.4%
				Fringe Benefits - Graduate Assistant Differential	24,500	24,500	0.0%
Total Non Cash Resources	40,944	40,249	1.7%	Total Non Cash Uses	40,944	40,249	1.7%
Total Operating Resources	\$ 797,382	\$ 755,123	5.6%	Total Operating Uses	\$ 797,382	\$ 755,123	5.6%

NOTES: FY 2009-10 Revised Initial Budget has been restated for a distribution of Information Technology Costs and a reallocation of costs within Instruction and Research. Federal stimulus funds were reclassified to Unrestricted funds from Restricted funds.

SUMMARY REVENUE AND EXPENSE BY ACCOUNT BUDGET

(dollars in thousands)

	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change		FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change
Operating Resources				Operating Uses			
Unrestricted Revenue:				Unrestricted Expense:			
State Appropriations	\$ 90,648	\$ 124,744	(27.3)%	Compensation and Benefits:			
Federal Appropriations	11,964	11,559	3.5%	Faculty and Unclassified Staff	\$ 148,477	\$ 148,850	(0.3)%
Federal Stimulus	19,085	17,192	11.0%	Classified Staff	86,157	88,024	(2.1)%
Student Fees	265,308	232,489	14.1%	Other	33,192	28,301	17.3%
Graduate and Undergraduate Waivers	2,036	1,706	19.3%	Fringe Benefits	81,781	77,864	5.0%
Facilities and Administrative Cost Recoveries	12,100	10,940	10.6%	Total Compensation and Benefits	349,607	343,039	1.9%
Sales and Services	116,409	114,946	1.3%	Operating Costs	220,267	204,119	7.9%
Other University Generated	21,315	21,827	(2.3)%	Net Transfers	17,247	28,810	(40.1)%
				Recoveries	(48,256)	(40,565)	19.0%
Total Unrestricted Revenue	538,865	535,403	0.6%	Current Unrestricted Expense	538,865	535,403	0.6%
Fund Balance Resources	35,667	18,795	89.8%	Expended Fund Balance Resources	35,667	18,795	89.8%
Total Unrestricted Revenue and Fund Balance Resources	574,532	554,198	3.7%	Total Unrestricted Expense	574,532	554,198	3.7%
Restricted Revenue:				Restricted Expense:			
State Higher Education Grants	46,046	37,367	23.2%	Compensation and Benefits:			
Grants and Contracts	133,360	121,671	9.6%	Faculty and Unclassified Staff	11,734	11,943	(1.7)%
Investment and Endowment Income	—	490	(100.0)%	Classified Staff	3,420	3,280	4.3%
Other Revenues	2,500	1,148	117.8%	Other	26,424	20,821	26.9%
				Fringe Benefits	8,844	10,086	(12.3)%
Total Restricted Revenue	181,906	160,676	13.2%	Total Compensation and Benefits	50,422	46,130	9.3%
Total Revenue and Fund Balance Resources	756,438	714,874	5.8%	Operating Costs	116,435	99,642	16.9%
Non Cash Resources				Net Transfers	15,049	14,909	0.9%
Graduate and Undergraduate Waivers	40,944	40,249	1.7%	Recoveries	—	(5)	(100.0)%
				Total Restricted Expense	181,906	160,676	13.2%
Total Non Cash Resources	40,944	40,249	1.7%	Total Expense	756,438	714,874	5.8%
Total Operating Resources	\$ 797,382	\$ 755,123	5.6%	Non Cash Uses			
				Graduate and Undergraduate Waivers	16,444	15,749	4.4%
				Fringe Benefits - Graduate Assistant Differential	24,500	24,500	0.0%
				Total Non Cash Uses	40,944	40,249	1.7%
				Total Operating Uses	\$ 797,382	\$ 755,123	5.6%

NOTES: FY 2009-10 Revised Initial Budget has been restated for a distribution of Information Technology Costs, and a reallocation of costs within Instruction and Research. Federal stimulus funds were reclassified to Unrestricted funds from Restricted funds.

Operating Resources by Source

(dollars in thousands)

	Educational and General			Public Service Activities			Auxiliary Enterprises			Total Unrestricted		
	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change
Unrestricted Revenue:												
State Appropriation	\$ 62,014	\$ 86,106	(28.0)%	\$ 28,634	\$ 38,638	(25.9)%	\$ —	\$ —	0.0%	\$ 90,648	\$ 124,744	(27.3)%
Federal Appropriation	—	—	0.0%	11,964	11,559	3.5%	—	—	0.0%	11,964	11,559	3.5%
Federal Stimulus	16,485	14,692	12.2%	2,600	2,500	4.0%	—	—	0.0%	19,085	17,192	11.0%
Student Fees	260,702	227,973	14.4%	—	—	0.0%	4,606	4,516	2.0%	265,308	232,489	14.1%
Graduate and Undergraduate Waivers	2,036	1,706	19.3%	—	—	0.0%	—	—	0.0%	2,036	1,706	19.3%
Facilities and Administrative Cost Recoveries	10,000	9,500	5.3%	2,100	1,440	45.8%	—	—	0.0%	12,100	10,940	10.6%
Sales and Services	20	32	(37.5)%	16,436	18,183	(9.6)%	99,953	96,731	3.3%	116,409	114,946	1.3%
Other University Generated	19,284	19,552	(1.4)%	511	25	1,944.0%	1,520	2,250	(32.4)%	21,315	21,827	(2.3)%
Total Unrestricted Revenue	370,541	359,561	3.1%	62,245	72,345	(14.0)%	106,079	103,497	2.5%	538,865	535,403	0.6%
Fund Balance Resources	24,622	5,000	392.4%	11,345	11,146	1.8%	(300)	2,649	(111.3)%	35,667	18,795	89.8%
Total Unrestricted Revenue and Fund Balance Resources	395,163	364,561	8.4%	73,590	83,491	(11.9)%	105,779	106,146	(0.3)%	574,532	554,198	3.7%
Non Cash Resources:												
Graduate and Undergraduate Waivers	40,944	40,249	1.7%	—	—	0.0%	—	—	0.0%	40,944	40,249	1.7%
Total Non Cash Resources	40,944	40,249	1.7%	—	—	0.0%	—	—	0.0%	40,944	40,249	1.7%
Total Operating Resources	\$ 436,107	\$ 404,810	7.7%	\$ 73,590	\$ 83,491	(11.9)%	\$ 105,779	\$ 106,146	(0.3)%	\$ 615,476	\$ 594,447	3.5%

	Sponsored Program Activities			Scholarships and Student Aid			Other Restricted			Total Restricted		
	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change
Restricted Revenue:												
State Higher Education Grants	\$ —	\$ —	0.0%	\$ 45,200	\$ 37,150	21.7%	\$ 846	\$ 217	289.9%	\$ 46,046	\$ 37,367	23.2%
Grants and Contracts	79,326	76,587	3.6%	40,262	34,140	17.9%	13,772	10,944	25.8%	133,360	121,671	9.6%
Investment and Endowment												
Income	—	—	0.0%	—	285	(100.0)%	—	205	(100.0)%	—	490	(100.0)%
Other Revenues	127	32	296.9%	153	92	66.3%	2,220	1,024	116.8%	2,500	1,148	117.8%
Total Restricted Revenue	79,453	76,619	3.7%	85,615	71,667	19.5%	16,838	12,390	35.9%	181,906	160,676	13.2%
Non Cash Resources:												
Graduate and Undergraduate												
Waivers	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Total Non Cash Resources	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Total Operating Resources	\$ 79,453	\$ 76,619	3.7%	\$ 85,615	\$ 71,667	19.5%	\$ 16,838	\$ 12,390	35.9%	\$ 181,906	\$ 160,676	13.2%

	Total Unrestricted			Total Restricted			Total University		
	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change
Total Restricted and Unrestricted Revenues:									
Total Revenue Resources	\$ 574,532	\$ 554,198	3.7%	\$ 181,906	\$ 160,676	13.2%	\$ 756,438	\$ 714,874	5.8%
Total Non Cash Resources	40,944	40,249	1.7%	—	—	0.0%	40,944	40,249	1.7%
Total Operating Resources by Source	\$ 615,476	\$ 594,447	3.5%	\$ 181,906	\$ 160,676	13.2%	\$ 797,382	\$ 755,123	5.6%

NOTE: Federal Stimulus revenues have been restated in the FY 2009-10 Initial Budget from Restricted-Grants and Contracts to Unrestricted-Federal Stimulus.

Operating Uses by Program⁽¹⁾

(dollars in thousands)

	Educational and General			Public Service Activities			Auxiliary Enterprises			Total Unrestricted		
	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change
Unrestricted Expense:												
Instruction	\$ 179,203	\$ 165,484	8.3%	\$ —	\$ —	0.0%	\$ 1,799	\$ 1,638	9.8%	\$ 181,002	\$ 167,122	8.3%
Research	44,316	39,039	13.5%	22,700	25,943	(12.5)%	—	—	0.0%	67,016	64,982	3.1%
Public Service	7,477	7,108	5.2%	39,524	45,768	(13.6)%	—	—	0.0%	47,001	52,876	(11.1)%
Academic Support	37,857	32,413	16.8%	719	964	(25.4)%	—	—	0.0%	38,576	33,377	15.6%
Institutional Support	24,327	30,813	(21.0)%	—	—	0.0%	—	—	0.0%	24,327	30,813	(21.0)%
Student Services	20,149	19,468	3.5%	—	—	0.0%	6,060	5,727	5.8%	26,209	25,195	4.0%
Auxiliary Enterprises	(183)	(254)	(28.0)%	—	—	0.0%	92,529	87,960	5.2%	92,346	87,706	5.3%
Scholarships and Fellowships	7,463	5,693	31.1%	—	—	0.0%	7,827	7,665	2.1%	15,290	13,358	14.5%
Operations and Maintenance	29,851	31,164	(4.2)%	—	—	0.0%	—	—	0.0%	29,851	31,164	(4.2)%
Net Transfers	20,081	28,633	(29.9)%	(698)	(330)	111.5%	(2,136)	507	(521.3)%	17,247	28,810	(40.1)%
Current Unrestricted												
Expense	370,541	359,561	3.1%	62,245	72,345	(14.0)%	106,079	103,497	2.5%	538,865	535,403	0.6%
Expended Fund Balance Resources	24,622	5,000	392.4%	11,345	11,146	1.8%	(300)	2,649	(111.3)%	35,667	18,795	89.8%
Total Unrestricted												
Expense	395,163	364,561	8.4%	73,590	83,491	(11.9)%	105,779	106,146	(0.3)%	574,532	554,198	3.7%
Non Cash Uses												
Graduate and Undergraduate Waivers	16,444	15,749	4.4%	—	—	0.0%	—	—	0.0%	16,444	15,749	4.4%
Fringe Benefits - Graduate Assistant Differential	24,500	24,500	0.0%	—	—	0.0%	—	—	0.0%	24,500	24,500	0.0%
Total Non Cash Uses	40,944	40,249	1.7%	—	—	0.0%	—	—	0.0%	40,944	40,249	1.7%
Total Operating Uses	\$ 436,107	\$ 404,810	7.7%	\$ 73,590	\$ 83,491	(11.9)%	\$ 105,779	\$ 106,146	(0.3)%	\$ 615,476	\$ 594,447	3.5%

	Sponsored Programs Activities			Scholarships and Student Aid			Other Restricted			Total Restricted		
	FY 2010-11 Proposed Budget	FY 2009-10 Revised	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised	Percent Change
		Initial Budget			Initial Budget			Initial Budget			Initial Budget	
Restricted Expense:												
Instruction	\$ 3,451	\$ 3,328	3.7%	\$ —	\$ 5	(100.0)%	\$ 2,035	\$ 1,093	86.2%	\$ 5,486	\$ 4,426	23.9%
Research	62,922	60,673	3.7%	10	—	0.0%	8,068	6,199	30.2%	71,000	66,872	6.2%
Public Service	13,361	12,884	3.7%	—	—	0.0%	2,024	1,644	23.1%	15,385	14,528	5.9%
Academic Support	—	—	0.0%	—	—	0.0%	2,435	2,674	(8.9)%	2,435	2,674	(8.9)%
Institutional Support	—	—	0.0%	—	—	0.0%	1,206	252	378.6%	1,206	252	378.6%
Student Services	—	—	0.0%	5	—	0.0%	149	166	(10.2)%	154	166	(7.2)%
Auxiliary Enterprises	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Scholarships and Fellowships	—	—	0.0%	70,600	56,817	24.3%	555	32	1,634.4%	71,155	56,849	25.2%
Operations and Maintenance	—	—	0.0%	—	—	0.0%	36	—	0.0%	36	—	0.0%
Net Transfers	(281)	(266)	5.6%	15,000	14,845	1.0%	330	330	0.0%	15,049	14,909	0.9%
Total Restricted Expense	79,453	76,619	3.7%	85,615	71,667	19.5%	16,838	12,390	35.9%	181,906	160,676	13.2%
Non Cash Uses												
Graduate and Undergraduate Waivers	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Fringe Benefits - Graduate Assistant Differential	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Total Non Cash Uses	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Total Operating Uses	\$ 79,453	\$ 76,619	3.7%	\$ 85,615	\$ 71,667	19.5%	\$ 16,838	\$ 12,390	35.9%	\$ 181,906	\$ 160,676	13.2%
Total Restricted and Unrestricted Expense:												
Total Expense				\$ 574,532	\$ 554,198	3.7%	\$ 181,906	\$ 160,676	13.2%	\$ 756,438	\$ 714,874	5.8%
Total Non Cash Uses				40,944	40,249	1.7%	—	—	0.0%	40,944	40,249	1.7%
Total Operating Uses by Program				\$ 615,476	\$ 594,447	3.5%	\$ 181,906	\$ 160,676	13.2%	\$ 797,382	\$ 755,123	5.6%

(1) Program expense includes internal recoveries.

NOTES: FY 2009-10 Revised Initial Budget has been restated for a distribution of Information Technology Costs and a reallocation of costs within Instruction and Research. Federal stimulus funds were reclassified to Unrestricted funds from Restricted funds.
FY 2010-11 Sponsored Programs Activities Proposed Budget does not include \$43 million anticipated spending for the Wind Turbine Drive Train Testing Facility capital project.

Operating Uses by Account

(dollars in thousands)

	Educational and General			Public Service Activities			Auxiliary Enterprises			Total Unrestricted		
	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change	FY 2010-11 Proposed Budget	FY 2009-10 Revised Initial Budget	Percent Change
Unrestricted Expense												
Compensation and Benefits:												
Faculty and Unclassified Staff	\$ 113,424	\$ 113,202	0.2%	\$ 19,192	\$ 22,176	(13.5)%	\$ 15,861	\$ 13,472	17.7%	\$ 148,477	\$ 148,850	(0.3)%
Classified Staff	62,209	60,475	2.9%	12,704	14,267	(11.0)%	11,244	13,282	(15.3)%	86,157	88,024	(2.1)%
Other	22,336	19,141	16.7%	5,534	5,854	(5.5)%	5,322	3,306	61.0%	33,192	28,301	17.3%
Fringe Benefits	58,836	54,575	7.8%	12,199	13,422	(9.1)%	10,746	9,867	8.9%	81,781	77,864	5.0%
Total Compensation and Benefits	256,805	247,393	3.8%	49,629	55,719	(10.9)%	43,173	39,927	8.1%	349,607	343,039	1.9%
Other Costs	140,336	122,941	14.1%	14,629	17,860	(18.1)%	65,302	63,318	3.1%	220,267	204,119	7.9%
Net Transfers	20,081	28,633	(29.9)%	(698)	(330)	111.5%	(2,136)	507	(521.3)%	17,247	28,810	(40.1)%
Recoveries	(46,681)	(39,406)	18.5%	(1,315)	(904)	45.5%	(260)	(255)	2.0%	(48,256)	(40,565)	19.0%
Current Unrestricted Expense	370,541	359,561	3.1%	62,245	72,345	(14.0)%	106,079	103,497	2.5%	538,865	535,403	0.6%
Expended Fund Balance Resources	24,622	5,000	392.4%	11,345	11,146	1.8%	(300)	2,649	(111.3)%	35,667	18,795	89.8%
Total Unrestricted Expense	395,163	364,561	8.4%	73,590	83,491	(11.9)%	105,779	106,146	(0.3)%	574,532	554,198	3.7%
Non Cash Uses:												
Graduate and Undergraduate Waivers	16,444	15,749	4.4%	—	—	0.0%	—	—	0.0%	16,444	15,749	4.4%
Fringe Benefits - Graduate Assistant Differential	24,500	24,500	0.0%	—	—	0.0%	—	—	0.0%	24,500	24,500	0.0%
Total Non Cash Uses	40,944	40,249	1.7%	—	—	0.0%	—	—	0.0%	40,944	40,249	1.7%
Total Operating Uses	\$ 436,107	\$ 404,810	7.7%	\$ 73,590	\$ 83,491	(11.9)%	\$ 105,779	\$ 106,146	(0.3)%	\$ 615,476	\$ 594,447	3.5%

	<u>Sponsored Program Activities</u>			<u>Scholarships and Student Aid</u>			<u>Other Restricted</u>			<u>Total Restricted</u>		
	<u>FY 2010-11 Proposed Budget</u>	<u>FY 2009-10 Revised Initial Budget</u>	<u>Percent Change</u>	<u>FY 2010-11 Proposed Budget</u>	<u>FY 2009-10 Revised Initial Budget</u>	<u>Percent Change</u>	<u>FY 2010-11 Proposed Budget</u>	<u>FY 2009-10 Revised Initial Budget</u>	<u>Percent Change</u>	<u>FY 2010-11 Proposed Budget</u>	<u>FY 2009-10 Revised Initial Budget</u>	<u>Percent Change</u>
Restricted Expense												
Compensation and Benefits:												
Faculty and Unclassified Staff	\$ 8,624	\$ 10,226	(15.7)%	\$ —	\$ 2	(100.0)%	\$ 3,110	\$ 1,715	81.3%	\$ 11,734	\$ 11,943	(1.7)%
Classified Staff	2,234	2,220	0.6%	—	—	0.0%	1,186	1,060	11.9%	3,420	3,280	4.3%
Other	23,333	18,248	27.9%	14	—	0.0%	3,077	2,573	19.6%	26,424	20,821	26.9%
Fringe Benefits	6,961	8,758	(20.5)%	1	1	0.0%	1,882	1,327	41.8%	8,844	10,086	(12.3)%
Total Compensation and Benefits	41,152	39,452	4.3%	15	3	400.0%	9,255	6,675	38.7%	50,422	46,130	9.3%
Other Costs	38,582	37,438	3.1%	70,600	56,819	24.3%	7,253	5,385	34.7%	116,435	99,642	16.9%
Net Transfers	(281)	(266)	5.6%	15,000	14,845	1.0%	330	330	0.0%	15,049	14,909	0.9%
Recoveries	—	(5)	(100.0)%	—	—	0.0%	—	—	0.0%	—	(5)	(100.0)%
Total Restricted Expense	79,453	76,619	3.7%	85,615	71,667	19.5%	16,838	12,390	35.9%	181,906	160,676	13.2%
Non Cash Uses:												
Graduate and Undergraduate Waivers	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Fringe Benefits - Graduate Assistant Differential	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Total Non Cash Uses	—	—	0.0%	—	—	0.0%	—	—	0.0%	—	—	0.0%
Total Operating Uses	\$ 79,453	\$ 76,619	3.7%	\$ 85,615	\$ 71,667	19.5%	\$ 16,838	\$ 12,390	35.9%	\$ 181,906	\$ 160,676	13.2%

	<u>Total Unrestricted</u>			<u>Total Restricted</u>			<u>Total University</u>		
	<u>FY 2010-11 Proposed Budget</u>	<u>FY 2009-10 Revised Initial Budget</u>	<u>Percent Change</u>	<u>FY 2010-11 Proposed Budget</u>	<u>FY 2009-10 Revised Initial Budget</u>	<u>Percent Change</u>	<u>FY 2010-11 Proposed Budget</u>	<u>FY 2009-10 Revised Initial Budget</u>	<u>Percent Change</u>
Total Restricted and Unrestricted Expense:									
Total Operating Expense	\$ 574,532	\$ 554,198	3.7%	\$ 181,906	\$ 160,676	13.2%	\$ 756,438	\$ 714,874	5.8%
Total Non Cash Uses	40,944	40,249	1.7%	—	—	0.0%	40,944	40,249	1.7%
Total Operating Uses by Account	\$ 615,476	\$ 594,447	3.5%	\$ 181,906	\$ 160,676	13.2%	\$ 797,382	\$ 755,123	5.6%

NOTES: FY 2009-10 Revised Initial Budget has been restated for a distribution of Information Technology Costs and a reallocation of costs within Instruction and Research. Federal stimulus funds were reclassified to Unrestricted funds from Restricted funds.

FY 2010-11 Sponsored Programs Activities Proposed Budget does not include \$43 million anticipated spending for the Wind Turbine Drive Train Testing Facility capital project.

Academic Fee Schedule
Undergraduate Student Academic Fee Schedule
Effective Fall 2010

Full-Time Undergraduate Fees per Semester (twelve hours or more):

	Resident	Non-Resident
Base Academic Fee	\$ 4,979	\$ 11,873
Tuition	494	1,221
Other Debt Retirement and Plant Fund Transfers	91	226
Matriculation	5	5
Activity Fee	40	40
Software License Fee	12	12
Fike Fee	50	50
Medical Fee	131	131
Career Services Fee	4	4
Transit Fee	33	33
Information Technology Fee	115	115
Total Full-Time Undergraduate Fees per Semester	\$ 5,954	\$ 13,710

Additional Full-Time Undergraduate Fees per Semester:

Library Fee (30+ credit hours)	\$ 50	\$ 50
--------------------------------	-------	-------

Part-Time Undergraduate Fees per Credit Hour (less than twelve hours):

Base Academic Fee	\$ 450	\$ 1,050
Tuition	41	102
Other Debt Retirement and Plant Fund Transfers	8	19
Activity Fee	4	4
Information Technology Fee	9	9
Total Part-Time Undergraduate Fees per Credit Hour	\$ 512	\$ 1,184

Additional Part-Time Undergraduate Fees per Semester:

Matriculation	\$ 5	\$ 5
Software License Fee	12	12
Fike Fee (6+ on-campus credit hours)	50	50
Medical Fee (7+ credit hours)	131	131
Library Fee	4	4
Career Services Fee (6+ credit hours, excluding staff)	4	4

Academic Fee Schedule
Undergraduate Student Academic Fee Schedule
 Effective Fall 2010 (*continued*)

	Resident	Non-Resident
Maymester and Summer Session Fees per Credit Hour:		
Base Academic Fee	\$ 450	\$ 1,050
Tuition	41	102
Other Debt Retirement and Plant Fund Transfers	8	19
Activity Fee	4	4
Information Technology Fee	9	9
Total Maymester and Summer Session Fees per Credit Hour	\$ 512	\$ 1,184
Additional Fees per Maymester and Summer Sessions:		
Fike Fee (<i>3+ on-campus credit hours, excluding staff</i>)	\$ 15	\$ 15
Maymester/Summer School Fee	5	5
Other Undergraduate Fees (<i>Debt Service and Other Mandatory Fees Apply</i>):		
Per Semester:		
Business and Behavioral Science Junior/Senior Differential Tuition	\$ 1,000	\$ 1,000
Per Credit Hour:		
Business and Behavioral Science — Non-Majors Surcharge/Credit Hour 300/400	\$ 100	\$ 100
Cardiovascular Technology Concentration for Health Science Majors	200	200
Electrical and Computer Engineering — On-Line Courses Academic Fee	563	563
Summer Study Abroad Academic Fee	563	563
Audit Fee	256	592
Per Seat:		
Variable Laboratory Fee Based on Specific Course Labs	\$ 75-200	\$ 75-200

Academic Fee Schedule
Graduate Student Academic Fee Schedule
Effective Fall 2010

	<u>Resident</u>	<u>Non-Resident</u>
Full-Time Graduate Fees per Semester (Twelve hours or more):		
Tier 1 Program — Base Academic Fee	\$ 3,861	\$ 7,773
Tier 2 Program — Base Academic Fee	3,173	6,395
Tier 3 Program — Base Academic Fee	2,661	5,370
Tier 4 Program — Base Academic Fee	2,293	4,634
Tier 5 Program — Base Academic Fee	1,747	3,585
Additional Full-Time Graduate Fees per Semester:		
Tuition	\$ 494	\$ 1,221
Other Debt Retirement and Plant Fund Transfers	91	226
Matriculation	5	5
Activity Fee	20	20
Software License Fee	12	12
Fike Fee	50	50
Medical Fee	131	131
Transit Fee	33	33
Information Technology Fee	115	115
Career Services Fee	2	2
Total Additional Full-Time Graduate Fees per Semester	<u>\$ 953</u>	<u>\$ 1,815</u>
Full-Time Graduate Assistant Fees per Semester:		
Base Academic Fee	\$ 756	\$ 756
Tuition	8	8
Other Debt Retirement and Plant Fund Transfers	3	3
Matriculation	5	5
Activity Fee	20	20
Software License Fee	12	12
Fike Fee	50	50
Medical Fee	131	131
Transit Fee	33	33
Career Services Fee (6+ credit hours, excluding staff)	2	2
Total Full-Time Graduate Assistant Fees per Semester	<u>\$ 1,020</u>	<u>\$ 1,020</u>

Academic Fee Schedule
Graduate Student Academic Fee Schedule
 Effective Fall 2010 (*continued*)

	Resident	Non-Resident
Part-Time and Regular Summer School Graduate Fees per Credit Hour (<i>Less than twelve hours</i>):		
Tier 1 Program — Base Academic Fee	\$ 551	\$ 1,079
Tier 2 Program — Base Academic Fee	476	929
Tier 3 Program — Base Academic Fee	351	679
Tier 4 Program — Base Academic Fee	301	579
Tier 5 Program — Base Academic Fee	251	479
Additional Part-Time and Regular Summer School Graduate Mandatory Fees per Credit Hour:		
Tuition	\$ 41	\$ 102
Other Debt Retirement and Plant Fund Transfers	8	19
Total Additional Part-Time and Regular Summer School Graduate Mandatory Fees per Credit Hour	\$ 49	\$ 121
Other Part-Time and Regular Summer School Graduate Fees:		
<i>Per Credit Hour:</i>		
Information Technology Fee	\$ 9	\$ 9
<i>Per Session:</i>		
Matriculation	5	5
Activity Fee (<i>7+ credit hours</i>)	20	20
Software License Fee	12	12
Fike Fee (<i>6+ on-campus credit hours</i>)	50	50
Medical Fee (<i>7+ credit hours</i>)	131	131
Career Services Fee (<i>6+ credit hours, excluding staff</i>)	2	2

	Resident	Non-Resident
Online Programs Fees per Credit Hour¹:		
Tier 1 Program — Base Academic Fee	\$ 951	\$ 951
Tier 2 Program — Base Academic Fee	701	701
Tier 3 Program — Base Academic Fee	551	551
Tier 4 Program — Base Academic Fee	401	401
Tier 5 Program — Base Academic Fee	251	251
Additional Mandatory Fees per Credit Hour:		
Tuition	\$ 41	\$ 41
Other Debt Retirement and Plant Fund Transfers	8	8
Total Additional Mandatory Fees per Credit Hour	\$ 49	\$ 49
Other Online Graduate Fees per Session:		
<i>Per Credit Hour:</i>		
Information Technology Fee	\$ 9	\$ 9
<i>Per Session:</i>		
Matriculation	5	5
Software License Fee	12	12
Career Services Fee (6+ credit hours, excluding staff)	2	2

1) Online programs include Human Resources Development, Youth Development and Leadership, Public Administration, Industrial Engineering and non-thesis Biological Sciences.

Academic Fee Schedule
Graduate Student Academic Fee Schedule
 Effective Fall 2010 (*continued*)

	Resident	Non-Resident
Other Graduate Fees (<i>Debt Service and Other Mandatory Fees Apply</i>):		
Premier Program Academic Fees per Semester:		
Masters in Historic Preservation	\$ 14,000	\$ 14,000
Masters in Real Estate Development (<i>students entering Fall 2009</i>)	12,500	12,500
Graduate International Exchange Programs Base Academic Fees per Semester:		
Full-Time Non-Assistantship	\$ 2,747	\$ 2,747
Full-Time Assistantship	756	756
Graduate International Exchange Programs Base Academic Fees per Credit Hour:		
Part-Time Non Assistantship	\$ 488	\$ 488
Summer Session Non-Assistantship	488	488
Summer Session Graduate Fees:		
Graduate Assistantship Base Academic Fee per Session	\$ 315	\$ 315
Graduate International Exchange Program Base Academic Fee per Session (<i>summer assistantship</i>)	315	315
Summer Study Abroad Base Academic Fee per Credit Hour	488	488
Certificate Programs and Contract Courses		
International Family and Community Studies Professional Certificate Program Academic Fee per Credit Hour	\$ N/A	\$ 200
Educational Contract Course Academic Fees per Course:		
Professional Development (+\$150/OS student)	4,400	4,400
Masters Program Eligible (+\$150/OS student)	10,000-20,000	10,000-20,000
Doctorial Program Eligible (+\$150/OS student)	12,000-22,500	12,000-22,500
Other Graduate Fees:		
Variable Laboratory Fees Based on Specific Course Labs per Seat	\$ 75-200	\$ 75-200
Audit Fee per Credit Hour	222	440

Definition of Terms

Academic Support — Program expenses for libraries, computing support and academic administration.

Account — Classification of expense by type.

Auxiliary Enterprises — An Auxiliary Enterprise furnishes goods or services to students, faculty and staff, other institutional departments and incidentally to the general public for a fee related to the cost of the service. Auxiliary enterprises are expected to be self supporting, with revenues supporting the operating and capital needs of the enterprise. Examples include residence halls, dining, athletics and bookstores. Program expenses related to auxiliary enterprise activities are defined as auxiliary enterprises expenses.

Capital Projects — Approved projects that build, improve or significantly extend the life of capital assets, such as buildings, infrastructure, major renovations or land acquisition.

Clemson University Foundation (CUF) — A related organization chartered to support the University's private fund-raising efforts.

Current Funds — Resources of the institution expendable for the operating purposes of the University.

Debt Service — Principal and interest payments on debt.

Educational and General (E&G) — Educational and General are the operations related to the educational mission of the University including instruction, research, public service, academic support, student services, institutional support and maintenance and operation of the physical plant. Educational and General revenues consist primarily of state general fund appropriations and tuition and fees generated by the University.

Federal Appropriations — Appropriations received from the Federal Government used primarily by Agricultural Experiment Stations and Cooperative Extension.

Federal Stimulus — Federal economic stimulus pass-through grants from the State of South Carolina funded by the State Fiscal Stabilization Fund of the American Recovery and Reinvestment Act of 2009.

Fringe Benefits — The employer contribution for benefits offered to employees, such as medical, dental, disability and life insurance, social security tax and unemployment contribution. The graduate assistant differential is also budgeted under fringe benefits.

Fund Balances — Amounts in excess of assets offset by liabilities. Fund balance is the accumulation of revenues offset by expenses within a fund to be used for programs in future years.

Fund Balance Resources — Resources budgeted for the current year expenses funded by resources accumulated in prior years.

Institutional Support — Program expenses for institutional and executive-level activities that manage and provide long range planning of the University. Examples include the governing board, executive management, planning and programming operations, legal services, fiscal operations, fund raising, space management, human resources, procurement and other support services for faculty and staff not operated as an auxiliary enterprise.

Instruction — Program expenses for the teaching faculty, support staff, instructional equipment and operating costs directly related to instruction. Departmental research not separately budgeted is also included in this category.

Internal Recoveries — Charges for services performed or supplies provided between University departments.

Mandatory Transfers — Legally required transfer of funds, generally related to debt covenants requiring the payment of principal and interest on bonds and other indebtedness.

Definition of Terms *(continued)*

Net Assets — The balance of assets offset by liabilities. In public higher education net assets may be classified as unrestricted net assets, restricted net assets and invested in capital assets, net of related debt.

Non Cash Resources and Uses — Budgeted resources and uses that have no cash flow impact to the University. External accounting requires a tracking of non cash items such as waivers and graduate assistant differentials.

Non-Mandatory Transfers — Discretionary transfer between funds and programs.

Operation and Maintenance of Plant — Program expenses for buildings and grounds maintenance, safety and security, utilities and general services.

Program — Major classification of functions within the University regardless of organizational placement.

Public Service — Program expenses associated with non-instructional services beneficial to individuals and groups external to the institution.

Public Service Activities (PSA) — State and federally funded activities for the Clemson Cooperative Extension Service, Agricultural Research, Regulatory Services and Livestock and Poultry Health.

Recoveries — Revenues generated for sales and services of activities from within the University. External financial reporting requires internally generated revenue be offset from the related expense.

Related Organizations — Separately chartered legal entities whose activities primarily provide financial assistance and other support to the University and its educational programs.

Research — Program expenses for research sponsored by parties outside the University as well as separately budgeted University funded research.

Restricted Funds — Current operating funds received primarily from gifts, grants and contracts that are restricted by donors or other outside parties.

Scholarships and Fellowships — Program expenses for undergraduate and graduate student assistance and are primarily funded from gifts, endowment income and federal and state sources.

State Appropriations — Legislative appropriations from the State of South Carolina for the operation of the University.

State Higher Education Grants — Grants received for state scholarship programs such as Palmetto Fellows and Life Scholarships or pass-through appropriations from other state agencies.

Student Fees — Revenues collected from students for registration in educational programs.

Student Services — Program expenses contributing to the students' emotional and physical well being and intellectual, cultural and social development outside the context of the formal classroom. The admissions office, the registrar, expenses for student organizations, counseling and career guidance, and student financial aid administration are some examples of student service areas.

University Generated Revenue — Revenue from sales and services to external parties.

Unrestricted Funds — Current funds derived from state appropriations, student fees, institutional revenue and auxiliary operations.

Waivers — An accounting term that establishes the value of institutional student aid as the difference between the established student fee and amount paid by the student.