



Annual Comprehensive Financial Report

For the Year Ended June 30, 2021

A component unit of the State of South Carolina



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For the Year Ended June 30, 2021

Prepared by the Controller's Office



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Introductory Section

(unaudited)

ClemsonForward Strategic Plan

ClemsonForward is built on four key foundations: Research, Engagement, the Academic Core and Living, which spells the acronym REAL. Specific goals and tactics will guide each of those four areas.

RESEARCH

ClemsonForward sets a new bar for research funding and scholarly work. Clemson's goal is to continuously improve its research quality, quantity and impact; to foster a rich, curiosity-driven intellectual environment; to solve real problems; and to create more opportunities for graduates and alumni. This includes continuing unique public/private partnerships driven by the University's Innovation Campuses, building a culture of innovation and entrepreneurship, and focusing on six strategic innovation areas — advanced materials; cyber-infrastructure and big data science; energy, transportation and advanced manufacturing; human resilience; health innovation; and the sustainable environment.

ENGAGEMENT

Engagement was a cornerstone of the 2020 Road Map and is at the heart of the land-grant mission. ClemsonForward capitalizes on existing strengths and opportunities to emphasize high-impact, evidence-based academic and global engagement. It also emphasizes rigorous assessment so that we are better able to understand and measure the links between these engagement experiences and student learning and success.

ACADEMIC CORE

We will create an optimal path for academic programs — both undergraduate and graduate — to achieve national prominence. ClemsonForward enhances the undergraduate academic core with initiatives in interdisciplinary curricula, a new approach to general education, and enhanced advising. ClemsonForward also extends the focus on quality to the arena of graduate education and contains a greater commitment to graduate education and the graduate student experience at both the main campus and the innovation campuses.

LIVING

ClemsonForward will strengthen the cherished sense of community and connectedness that defines the Clemson Family by creating an environment that is diverse, respectful and inclusive, further enhancing the quality of student life and developing policies, facilities and support systems that will make Clemson a great place to work, study and live.

KEY ENABLERS

Together these pieces will support the real impact, real experience, real intellect, and real family that make up the heart of today's Clemson. The research, engagement, academic and living goals of ClemsonForward plan rest on four critical enablers:

- ***Strategic Revenue Growth*** — Manage enrollment, entrepreneurial activities, development priorities, operational efficiencies and revenue allocation to support ClemsonForward initiatives.
- ***College Reorganization*** — Enhance the learning and working environment in the seven academic colleges.
- ***Building Futures*** — Build state-of-the-art new facilities, renovate aging structures and create multi-function spaces that provide a vibrant academic environment.
- ***Accountability and Leadership*** — Prudently manage existing resources. Concentrate metrics on measuring impact rather than activity.



Dear Friends of Clemson:

During another challenging year for higher education, I am proud to say that Clemson University was well-positioned going into COVID, and we are incredibly well-positioned for the future.

We are blessed with incredible leadership from our Board of Trustees, and I am thankful for my leadership team and our volunteer boards. All have done an outstanding job throughout the year.

This past year was another record-setting year for Clemson in admissions, enrollment, research, diversity, graduation and retention rates. We were once again ranked among the top public universities by U.S. News & World Report and were reaffirmed as a Research 1 University by Carnegie Classification for Institutions of Higher Education. We are also ranked in the Top 10 nationally by Princeton Review in six categories — town-grown relations, career services, students pack the stadium, students play intramural sports, best schools for internships, and students love their college.

The Clemson campus continues to evolve and grow. We opened the Wilbur O. and Ann Powers College of Business, our new Child Development Center and the new Soccer Complex. Construction on the Samuel J. Cadden Chapel will soon be complete and we have begun renovations to Daniel Hall.

Private gifts to Clemson University and IPTAY this fiscal year resulted in another historic year with more than \$202 million raised during the fiscal year. In fact, this is the 10th consecutive year that annual fundraising at Clemson has exceeded \$100 million and fifth straight year it topped \$150 million. The money raised created new scholarships, fellowships and endowments and will benefit students, faculty, and staff for generations to come. I am thankful for all of our generous donors and partners.

While FY 2021 was unlike any other, we remain in a strong position for the new year and are already going through the process of refreshing our strategic plan. We are looking forward to a more normal Fall semester while keeping the health and safety of everyone in the University community our top priority.

Sincerely,

James P. Clements, Ph.D.
President

LETTER OF TRANSMITTAL

September 27, 2021

To President Clements,
Members of the Board of Trustees, and
Citizens of South Carolina

Finance and Operations

Clemson University
G06 Sikes Hall
Box 345302
Clemson, SC
29534-5302

P 864-656-2421
F 864-656-2008

We are pleased to present to you the Annual Comprehensive Financial Report of Clemson University (the "University") for the year ended June 30, 2021. The report provides financial information about the University's operations during the year and describes its financial position at the end of the year.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that was established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

State law, federal guidelines, and certain bond covenants require that the University's accounting and financial records be audited each year. For the fiscal year ended June 30, 2021, the University contracted with the independent certified public accounting firm of Elliott Davis, LLC to perform the University's annual audit. The auditors have issued an unmodified opinion, the most favorable outcome of the audit process. The independent auditor's report is located at the front of the financial section.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the University

Clemson University was founded in 1889, a legacy of Thomas Green Clemson, who willed his Fort Hill plantation home, its surrounding farmlands and forest, and other property to the state of South Carolina to establish a technical and scientific institution for South Carolina. Clemson opened its doors to 446 students as a military college in 1893.

Today, Clemson is classified by the Carnegie Foundation as a Research/High University, a category attained by approximately 4 percent of all universities in America. Students can choose from more than 80 undergraduate and over 130 graduate degree programs in seven colleges. As the state's land-grant university, Clemson reaches out to citizens, communities, and businesses all over South Carolina through county-based Cooperative Extension offices, five off-campus Research and Education centers, and critical regulatory responsibilities for plant and animal health.

Clemson University is governed by a board of thirteen members, including seven successor members and six members elected by the State General Assembly. Clemson University operates as a unit of the State of South Carolina (the primary government) as a state assisted institution of higher education.

The State requires the University to submit an annual balanced budget for both its Education and General and Extension and Public Service components. Each recognized college or budget center of the University is provided with a level of appropriation. This appropriation limits total annual expenditures. Budgetary controls are incorporated into both the University's accounting system and the State's financial management system to ensure that imposed expenditure constraints are observed. Periodic financial reports comparing actual results with budgeted amounts are provided at both the University and State level.

Governmental Accounting Standards Board (GASB) Codification Section 2100: *Defining the Financial Reporting Entity*, and Section 2600: *Reporting Entity and Component Unit Presentation and Disclosure*, provides criteria for whether certain organizations should be reported as component units based on the nature and significance of their relationship to the related entity. Based on this criteria, the University determined that the Clemson University Foundation, the Clemson University Land Stewardship Foundation and IPTAY are indeed component units of the University. Consequently, the financial statements include the accounts of these three entities as discretely presented component units.

Local Economy

South Carolina's unemployment rate was 4.5% at the end of June 2021, which was 4.2% lower than June 2020. The national average was 5.9% and South Carolina ranked 21st, compared to other states, per the U.S. Bureau of Labor Statistics. According to the Economic Outlook, published by the South Carolina Department of Commerce, there was an increase in non-farm jobs totaling 10,400, with the largest gains in leisure and hospitality services and trade, transportation and utilities.

Median home sales rose by 17.8%. Residential building permits increased by 43.8% while the valuation of those permits increased by 51.0%. Median sales prices reflected upward trends in five of the Metropolitan Statistical Areas (MSAs) with Spartanburg reporting the only decline.

Governor Henry McMaster states that South Carolina is "just right" for business. McMaster reports, "South Carolina has a proven track record of attracting capital investment from around the world. The State's skilled workforce, business-friendly environment, excellent value, and strategic east coast location make South Carolina the ideal spot for companies to operate. The State's natural beauty, world-renowned events, and affordable cost of living are attracting industry and visitors alike." South Carolina is a leader in attracting manufacturing industries ranging from aircraft and automobiles to advanced medical devices and agriculture. The manufacturing industry reflects a 14% growth since 2011 and has increased its workforce by over 11,000 employees. Additionally, the State promotes workforce development and education and offers performance-based tax incentives to attract new employees.

Dr. Bruce Yandle, dean emeritus of Clemson University's College of Business, addressed the outlook for South Carolina's economy during the SC Community Development Association's Annual Meeting. "Coming out of the dramatic economic slowdown of the COVID-19 pandemic, South Carolina's economy has become and will remain much better. Reflecting on the economic advantages of the South, the region has attractive cities with relatively low density - important in a time where many people have stressed social distancing. The region also has the benefit of a young, skilled and adaptive workforce." With all of the challenges that South Carolina has faced over the course of the past year due to the COVID-19 pandemic, Area Development Magazine consistently ranks South Carolina as one of the top five states in which to do business.

COVID-19

In March 2020, in response to the Executive Orders of Governor Henry McMaster and in an effort to minimize the risk of COVID-19, the University transitioned to remote learning, closed residence halls and other campus facilities, and cancelled all activities.

Despite the pandemic, enrollment for the fall 2020 semester grew by approximately two percent over the prior year. The University began the fall 2020 semester with remote instruction and implemented a delayed and staggered move-in approach, with its first students moving into campus residence halls beginning September 11, 2020. In-person learning began September 21, 2020 and included a hybrid of online and in-person classes for the fall semester. The spring 2021 semester began on time with a greater volume of in-person classes and increased student access to on-campus amenities. The fall 2021 semester included a return to full operational status and strong enrollment growth.

The University instituted a variety of cost reduction measures as a result of the pandemic and is poised to enact additional cost reduction measures, as necessary, during the upcoming fiscal year. The degree of future impacts to the University's operations and finances are extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its duration, severity, ultimate geographic spread, as well as actions by other governmental authorities including limitations on public assemblies and gatherings. The University has continued its robust testing strategy into the current academic term and continues to monitor the recommendations of health experts in its response to the pandemic.

Major Initiatives

The 2020-21 academic and fiscal year was another productive year for Clemson, despite the fact that it was an unusual year due to the challenges presented by a global pandemic.

Clemson once again raised the bar in admissions, enrollment, research, diversity, graduation and retention rates all while the campus is undergoing the largest construction boom in the history of the University.

The University is classified as a Research 1 University by the Carnegie Classification for Institutions of Higher Education. And Clemson continues to be recognized as one of the top national public universities as announced by *U.S. News & World Report*.

Private gifts to Clemson University and IPTAY this fiscal year once again exceeded the goal set for the fiscal year. In fact, this was the 10th consecutive year that annual fundraising at Clemson exceeded \$100 million, and the fifth straight year it topped \$150 million – raising more than \$202 million this year. The gifts created 115 new scholarships and fellowships, and 85 new endowments. Principal gifts included 21 gifts of \$1 million or more. This year's gifts included four Academic Cornerstones – including the largest gift ever given to Clemson, \$60 million from Wilbur O. and Ann Powers – and six Athletic Cornerstone Partners.

The City of Clemson welcomed Robert Halfacre as the new mayor. Clemson University and the City of Clemson continued to work together as part of the newly revamped Joint City/University Advisory Board.

Highlights, news and major milestones of the year include:

- We celebrated the opening of the new Wilbur O. and Ann Powers College of Business. We also opened the doors to our Child Development Center and the new Soccer Complex and celebrated the naming of the McWhorter Stadium.
- Clemson's endowment value surpassed \$1 billion. Over the past decade, the endowment has provided more than \$170 million in funding for scholarships and other financial assistance for students, support for faculty, and funding for academics and other programs.
- Clemson hosted government leaders and officials throughout the year. Governor Henry McMaster and several other S.C. Lawmakers were on campus for the ceremonial signing of the Name, Image and Likeness (NIL) bill for college athletes, as well as tours of the CLIA Lab and the Wilbur O. and Ann Powers College of Business. Ambassador Dr. Deborah Birx, global health official and Coronavirus Response Coordinator, visited Clemson and praised our efforts to combat the spread of the virus.

- Clemson received two prestigious excellence in diversity awards. INSIGHT Into Diversity awarded Clemson its Higher Education Excellence in Diversity (HEED) award and the Diversity Champion Award. It was the third consecutive year Clemson won the Diversity Champion Award and the fourth consecutive year Clemson won the HEED award.
- Dr. Delphine Dean was awarded the Class of '39 Award for Excellence. The current Ron and Jane Lindsay Family Innovation Professor of Bioengineering, Dr. Dean is responsible for establishing the laboratory on campus, which conducts COVID-19 screening tests.
- Dr. Trudy Mackay, Director of the Center for Human Genetics and Self Family Endowed Chair of Human Genetics, was selected for the American Philosophical Society, making her the first Clemson faculty member inducted into that prestigious organization. She is also the first member in the field of biological sciences from either North or South Carolina.

Statewide Initiatives

- In a partnership with the Medical University of South Carolina, nearly 300 front-line health care and COVID-19 laboratory workers received their first dose of the COVID-19 vaccine. Clemson also has an agreement in place with Prisma to vaccinate nursing students and select employees.
- The Battelle Savannah River Alliance (BRSA) Team, which includes Clemson University, was selected by the Department of Energy to manage one of the country's premier environmental, energy, and national security research facilities – the Savannah River National Laboratory (SRNL). Clemson University will play an important role on the team to nurture cutting-edge innovation, education and workforce development that will be a boon for South Carolina and the entire region.
- University leaders met with local government leaders from Anderson, Pickens and Oconee counties as part of ongoing communication efforts related to COVID.
- The University participated in a virtual signing ceremony with the president and provost from S.C. State University for our MOU with them to offer a collaborative accelerated degree program in mathematics and statistics.
- Autonomy is the focus behind a new \$18 million center housed at the Clemson University International Center for Automotive Research (CU-ICAR) and a research partnership with the U.S. Army Ground Vehicle Systems Center.

- The Boone and Crockett Wildlife Conservation Program at Clemson University will establish an endowed professorship to lead an effort focused on educating the next generation of conservation-minded land management professionals, researching innovative and effective practices in land management, and imparting those research-based practices to South Carolina landowners through the Clemson Cooperative Extension Service.
- Elevating Entrepreneurship is a priority and will be a part of the Clemson Forward refresh. We have in the works a new student accelerator space in downtown Clemson. This Accelerator will empower Clemson entrepreneurs and innovators to create, invent and learn

Campus Operations and COVID-19 Response

Clemson University remained focused on providing world-class education, research and service even in the face of the unprecedented public health challenge presented by COVID-19.

- Clemson's Emergency Operations Center (EOC) continued planning and information-gathering operations since activation in late February 2020.
- Our on-campus testing operation has truly been a game-changer for Clemson. We conducted more than 520,000 tests for COVID-19 at our campus site, and the efforts brought our positivity rate below 1 percent. Clemson's CLIA lab also processed more than 29,000 tests from the Clemson community as part of our partnership with the City of Clemson.
- Clemson began the fall semester with remote instruction and delayed moving students on campus for the first 30 days of the semester.
- The University reverted to online-only instruction, following the Thanksgiving holiday, for the final two weeks of the Fall semester. This decision was made to reduce the likelihood of an increase in transmission of COVID-19 after the holiday break and to prepare for a more normal Spring semester, with increased in-person teaching and activities.
- Clemson safely welcomed fans to Death Valley to enjoy the 2020 football season. Capacity was reduced to approximately 19,000 fans, with six feet of social distancing among outdoor seating pods.
- Clemson was recognized by the White House for our COVID-19 response and was one of three universities invited to present our best practices on a national call of more than 1,000 higher education leaders from across the country.

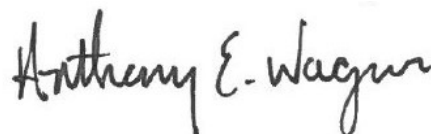
Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Clemson University for its annual comprehensive financial report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report (Annual Report), whose contents conform to program standards. Such an Annual Report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Clemson University has received the Certificate of Achievement annually since the fiscal year ended June 30, 1993. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

The preparation of the Annual Comprehensive Financial Report in a timely manner would not have been possible without the coordinated effort of the Controller's Office and other University financial staff. Each member has our sincere appreciation for their contributions in the preparation of the report.



Anthony E. Wager
Executive Vice President for Finance and Operations



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Clemson University
South Carolina**

**For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended**

June 30, 2020

CLEMSON UNIVERSITY BOARD OF TRUSTEES

TRUSTEES

Kim Wilkerson, *Chair*

President, South Carolina Bank of America

Ronald (Ronnie) D. Lee, *Vice Chair*

Ronald D. Lee, DMD, P.C.

David E. Dukes

Partner, Nelson Mullins Riley & Scarborough LLP

Louis B. Lynn

President, ENVIRO AgScience, Inc.

Patricia (Patti) H. McAbee

Consultant

E. Smyth McKissick, III

CEO, Alice Manufacturing Company, Inc.

John N. (Nicky) McCarter, Jr.

President, Defender Services, Inc.

Robert (Bob) L. Peeler

Manager, Community and Municipal Relations

Waste Management Inc.

Cheri M. Phyfer

President, Fortune Brands Global Plumbing Group

Mark S. Richardson

Owner, MAR Real Estate, LLC

William (Bill) C. Smith, Jr.

CEO, Red Rock Developments

Joseph (Joe) D. Swann

President, Retired

Rockwell Automation Power Systems

David H. Wilkins

Partner, Nelson Mullins Riley & Scarborough LLP

TRUSTEE EMERITI

J. J. Britton

Sumter Family Health Center

Leon (Bill) J. Hendrix, Jr.

Chairman, Retired

Remington Arms Company

Harold D. (Doug) Kingsmore

Retired

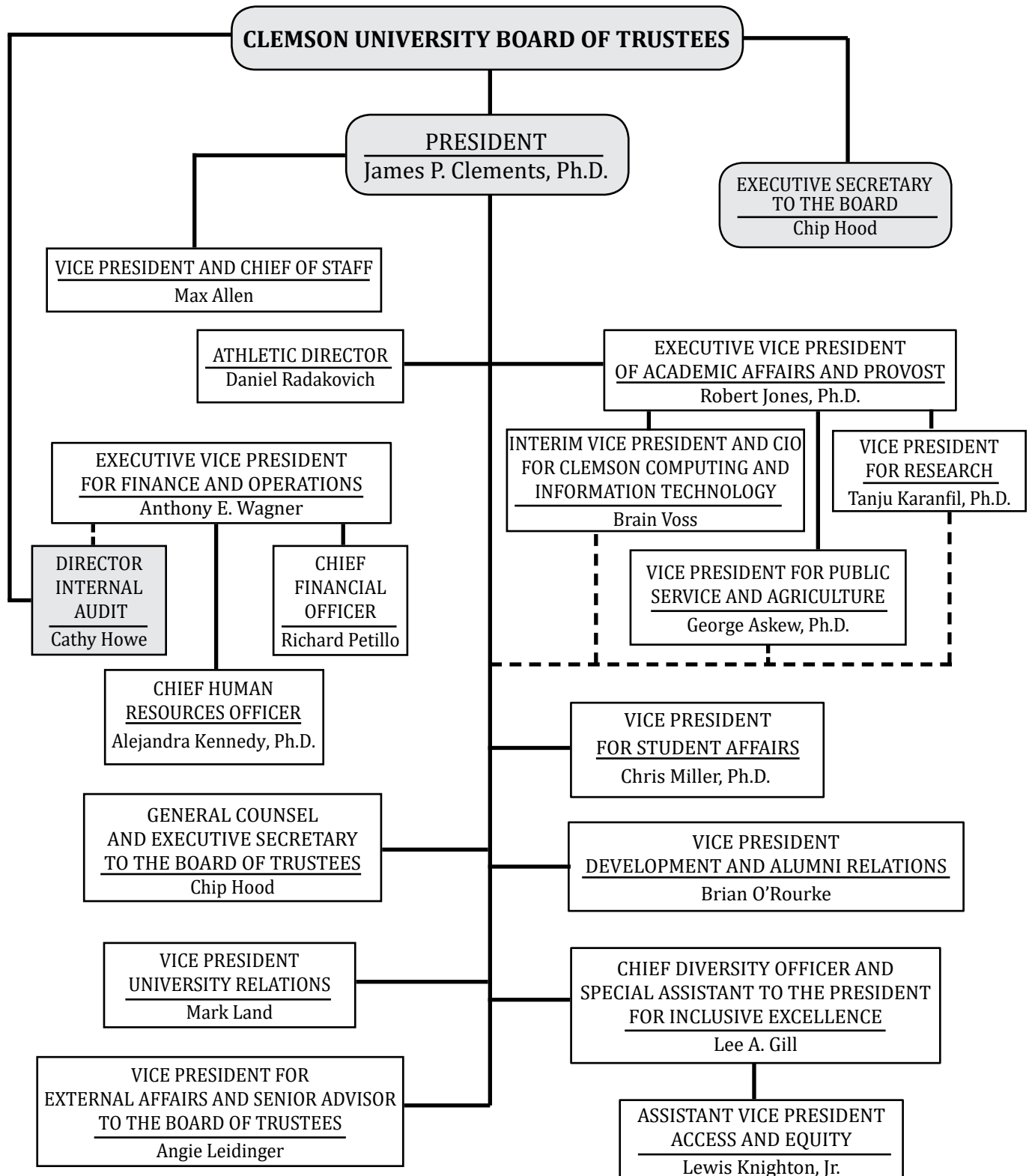
Thomas (Tom) B. McTeer, Jr.

President, McTeer Real Estate, Inc.

Allen Wood

Retired

CLEMSON UNIVERSITY ORGANIZATION CHART





Financial Section

Independent Auditor's Report

Members of the Board of Trustees
Clemson University
Clemson, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of Clemson University (the "University"), a component unit of the State of South Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Clemson University Foundation (a discretely presented component unit), the Clemson University Land Stewardship Foundation (a discretely presented component unit), and IPTAY (a discretely presented component unit). The Clemson University Foundation, the Clemson University Land Stewardship Foundation, and IPTAY represent 100% of total assets, 100% of net assets or position, and 100% of total revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for these discretely presented components units, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Clemson University Foundation, the Clemson University Land Stewardship Foundation, and IPTAY were not audited in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

Auditor's Responsibility

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the University as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 22-29, Schedule of University's Proportionate Share of Net Pension Liability on page 76, Schedule of University Contributions to Pension Plans on page 77, Schedule of University's Proportionate Share of Net Retiree Health Benefits Liability on page 78, and Schedule of University Contributions to Retiree Health Benefits Plan on page 79 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient audit evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The Introductory Section, Statistical Section, Schedule of Pledged Net Revenues – Auxiliary Revenue Bonds (Series 2005, 2015 and 2015B), Schedule of Pledged Net Revenues – Athletic Facilities Revenue Bonds (Series 2012, 2014A, 2014B, 2014C, 2015, 2015B and 2018A), Clemson University Reporting Entity – Combined Statement of Net/Financial Position, and Clemson University Reporting Entity – Combined Statement of Revenues, Expenses, Activities and Changes in Net Position, as listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2021 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Greenville, South Carolina
September 27, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Financial Statements and Financial Analysis

Clemson University is pleased to present its financial statements for fiscal year 2021. While audited financial statements for fiscal year 2020 are not presented with this report, condensed operations and financial position data will be presented in this section in order to illustrate certain increases and decreases. However, the emphasis of discussions about these statements will be on current year data.

There are three financial statements presented: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and, the Statement of Cash Flows. These statements present financial information in a format similar to that used by private corporations.

This discussion and analysis of the University's financial statements provides an overview of its financial activities for the year.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. All things being equal, a public university's dependency on state aid and gifts will result in operating deficits. The GASB requires state appropriations and gifts to be classified as nonoperating revenues. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenues received by the institution, both operating and nonoperating, and the expenses paid by the institution, operating and nonoperating, and any other revenues, expenses, gains and losses received or spent by the institution.

Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the institution. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the institution. Nonoperating revenues are revenues received for which goods and services are not provided. State capital appropriations and capital grants and gifts are considered neither operating nor nonoperating revenues and are reported after "Income before other revenues, expenses, gains or losses."

The Condensed Statement of Revenues, Expenses and Changes in Net Position reflects a positive year with an increase in Net Position at the end of the year. Some highlights of the information presented on this Statement are as follows:

Total Revenues – increase of \$88.0 million

- Operating revenues decreased \$30.3 million, based on the following:
 - Student tuition and fees increased \$11.2 million due to growth in enrollment and increased online and distance education programs. There were no changes to the undergraduate and graduate tuition rates from the prior academic year. Overall enrollment increased by 2% over the prior year.
 - Sales and services revenue decreased by \$40.4 million. Sales and services of pledged auxiliaries decreased by \$37.2 million due to the impact of the COVID-19 pandemic on in-person campus activities. Due to limitations on capacity levels at athletic events, overall athletic revenues were reduced by \$27.1 million. Housing, dining and parking revenue reductions of \$10.1 million resulted from a delayed in-person start and early departure in the Fall, as well as an overall decline in the housing occupancy rate. Computer store sales and Medicaid Information Technology Services (MITS) contributed to the overall decrease in non-pledged auxiliaries revenue of \$3.2 million. Sales and services of educational activities increased by \$31,000.
 - Grants and contracts revenues increased by \$7.9 million. Federal grants and contracts increased \$5.4 million, with continued research awarded from the National Science Foundation, Department of the Army, and new projects focused on Virtual Prototyping through non-State Agencies. State grants and contracts increased by \$2.4 million due to lottery-funded Palmetto Fellows and Life scholarships. Local grants and contracts decreased by \$5,000. Nongovernmental grants and contracts increased by \$79,000, primarily due to funds received from the Greenville Health Authority promoting healthy communities.
 - Other operating revenues decreased by \$9.0 million due to reduced study abroad activity, student health fees, and testing service fees revenue.
- Nonoperating revenues increased \$118.2 million, based on the following:
 - State appropriations decreased by \$1.1 million. Education & General (E&G) and Public Service (PSA) base appropriations increased \$2.9 million and \$1.2 million, respectively. Prior year appropriations, which did not recur, of \$5.2 million to fund health and dental costs, retirement contributions, and cost of living and bonus adjustments contributed to a reduction in the current year.
 - Federal appropriations decreased by \$110,000 due to reduced funding for the University's land-grant Hatch programs.

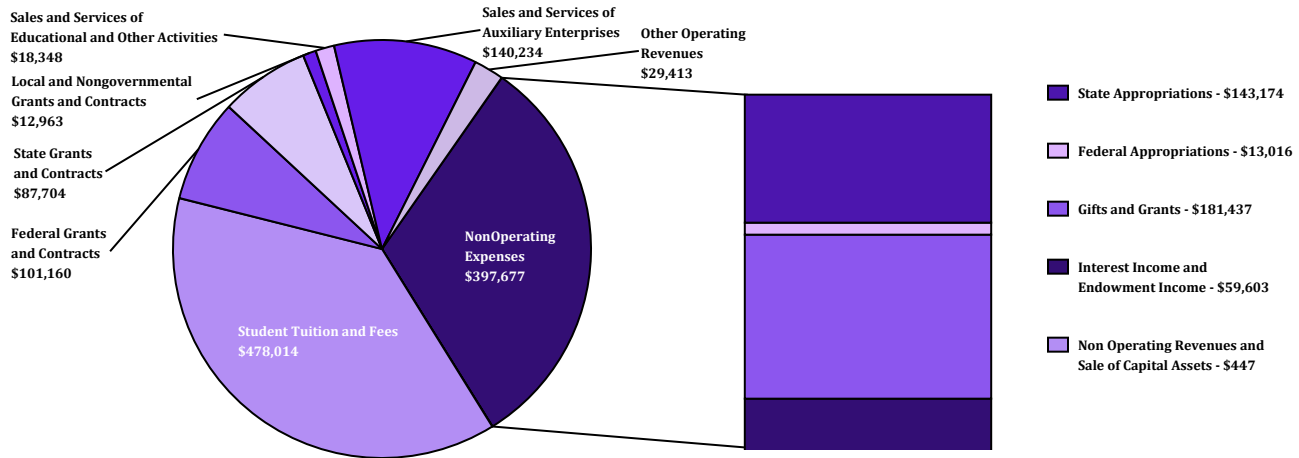
UNAUDITED

- Gifts and grants revenue increased by \$78.7 million. The University received \$51.4 million from the Coronavirus Aid, Recovery, and Economic Security Act (CARES) from the State of South Carolina and \$19.9 million from Higher Education Emergency Relief Funding (HEERF II) from the US Department of Education. The Clemson University Foundation, IPTAY, and other private donors also contributed to total gift revenue.
- Investment income increased by \$40.9 million. The positive rate of return on endowment balances managed by the Clemson University Foundation was offset by investment losses on the balances held by the State Treasurer's Office.
- Other nonoperating revenues decreased by \$178,000. This reduction was due to settlement funds for Douthitt Hills received in the prior year, which did not recur.
- Proceeds from the sale of capital assets increased by \$11,000 due to University surplus property sales.

**Condensed Summary of Net Revenues, Expenses
and Changes in Net Position (*thousands of dollars*)**

Description	2021	2020	Increase/ (Decrease)	Percent Change
Revenues:				
Student tuition and fees, net	\$ 478,014	\$ 466,846	\$ 11,168	2.39 %
Sales and services, net	158,581	198,984	(40,403)	(20.30) %
Grants and contracts	201,827	193,894	7,933	4.09 %
Other operating revenues	29,413	38,398	(8,985)	(23.40) %
Total operating revenues	867,835	898,122	(30,287)	(3.37) %
State appropriations	143,174	144,251	(1,077)	(0.75) %
Federal appropriations	13,016	13,126	(110)	(0.84) %
Gifts and grants	181,437	102,743	78,694	76.59 %
Investment income	59,603	18,705	40,898	218.65 %
Other nonoperating revenues	322	500	(178)	(35.60) %
Proceeds from the sale of capital assets	125	114	11	9.65 %
Total nonoperating revenues	397,677	279,439	118,238	42.31 %
Total revenues	1,265,512	1,177,561	87,951	7.47 %
Expenses:				
Compensation and employee benefits	743,857	709,455	34,402	4.85 %
Services and supplies	275,874	316,186	(40,312)	(12.75) %
Utilities	19,217	16,656	2,561	15.38 %
Depreciation	68,024	66,648	1,376	2.06 %
Scholarships and fellowships	42,112	47,700	(5,588)	(11.71) %
Total operating expenses	1,149,084	1,156,645	(7,561)	(0.65) %
Interest on capital asset related debt	21,596	22,523	(927)	(4.12) %
Loss on disposal of capital assets	322	1,655	(1,333)	(80.54) %
Refunds to grantors	514	491	23	4.48 %
Facilities and administrative remittances to the State	292	269	23	8.55 %
Total nonoperating expenses	22,724	24,938	(2,214)	(8.88) %
Total expenses	1,171,808	1,181,583	(9,775)	(0.83) %
Income (loss) before other revenues, expenses, gains or losses	93,704	(4,022)	97,726	(2429.84) %
State capital appropriations	—	10,900	(10,900)	(100.00) %
Capital grants and gifts	3,155	19,619	(16,464)	(83.92) %
Additions to permanent endowments	83	90	(7)	(7.78) %
Increase in net position	96,942	26,587	70,355	264.63 %
Net position, beginning of year	326,601	300,014	26,587	8.86 %
Net position, end of year	\$ 423,543	\$ 326,601	\$ 96,942	29.68 %

Total Revenues
\$1,265,512 (thousands of dollars)



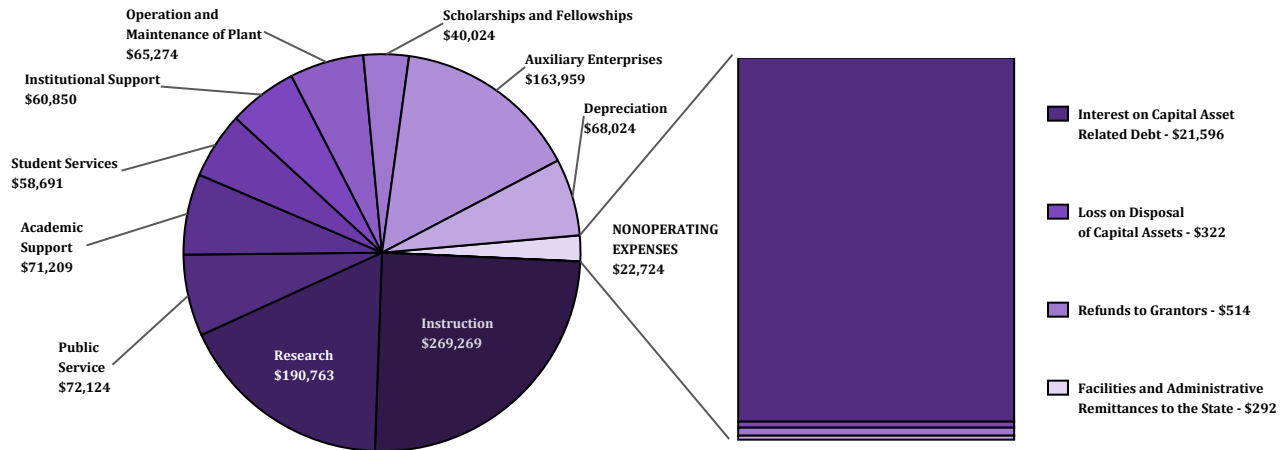
Total Expenses – decrease of \$9.8 million

- Operating expenses decreased \$7.6 million, based on the following:
 - Compensation & employee benefits increased by \$34.4 million. Compensation expenses increased by \$1.6 million, as mandatory furloughs and voluntary pay cuts for faculty and staff were offset by accrued bonus expenses. Fringe benefit expenses increased \$5.8 million, as a higher fringe rate was assessed for the fiscal year. Graduate assistant and other student-related compensation decreased \$1.1 million. Pension and retiree health benefit expenses related to the amortization of the University's proportionate share of the state's net pension liability and net retiree health benefit liability increased by \$28.1 million. The pension and retiree health expenses include a cash and non-cash component. The cash component is comprised of contributions submitted to PEBA. The cash impact of the pension and retiree health expense totaled \$49.6 million and \$25.5 million, respectively. The non-cash component reflects the University's proportionate share of the plan's expenses. The non-cash impact of the pension and retiree health expense totaled \$52.1 million and \$37.8 million, respectively.
 - Services and supplies expenses decreased \$40.3 million. Instruction costs decreased by \$7.6 million across all areas due to a University-wide effort to reduce spending. Research costs for federal awards increased but were offset by prior year accruals, reflecting an overall decrease of \$3.6 million. Public service costs decreased \$730,000 and were related to beef, poultry and dairy farm costs, offset by an increase in expenses for the Youth Learning Institute. Academic support costs decreased \$840,000, primarily due to CCIT infrastructure services and operations costs.

Student service expenses increased \$12.4 million because the University implemented housing and dining safety measures and restrictions along with regular COVID testing services. Institutional support costs decreased \$2.7 million due to efforts to curtail spending. Operation and maintenance of plant costs decreased by \$18.8 million due to a reduction in expenditures for repairs and maintenance. Scholarship and fellowships increased by \$66,000. Auxiliary services expenses decreased \$18.5 million due to reduced athletic related expenditures, amended operations for dining, housing, and parking plans, and lower CCIT Medicaid IT and customer support services.

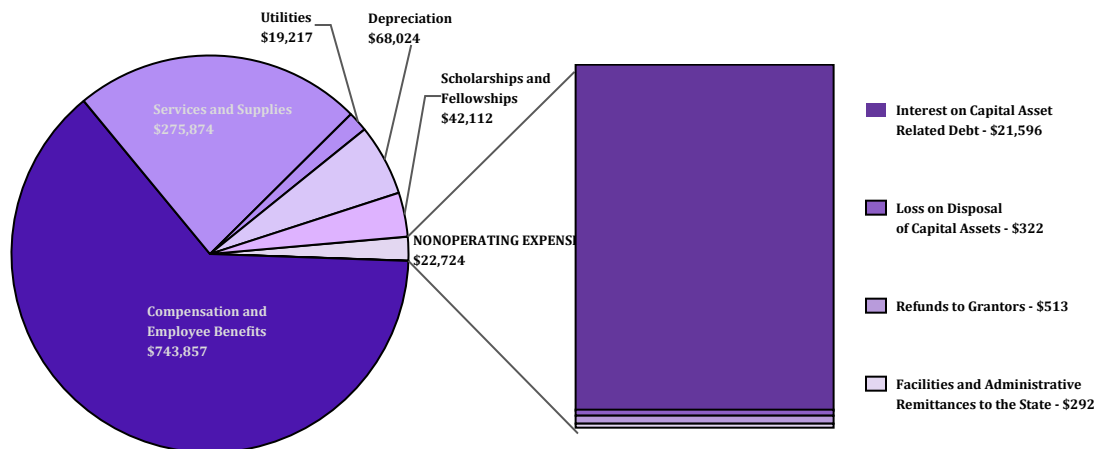
- Utility expenses increased \$2.6 million due primarily to the opening of the College of Business building.
- Depreciation expense increased \$1.4 million, due to the capitalization of major construction projects including the College of Business and Snow Outdoor Wellness Center.
- Scholarship and fellowship expenses decreased \$5.6 million. An increase in the calculated student scholarship allowance was offset by increases in state lottery funded scholarships.

Total Expenses by Function \$1,171,808 (thousands of dollars)



- Nonoperating expenses decreased \$2.2 million based on the following:
 - Interest expense decreased \$927,000, as the University continued to pay down debt and had smaller outstanding principal balances on bonds.
 - Losses on disposal of capital assets decreased \$1.3 million due to demolition of the IPTAY building in the prior year.
 - Refunds to grantors increased \$23,000 due to fixed payment amounts that had to be returned to sponsors when the cost of work performed was less than amounts previously received.
 - Facilities and administrative costs remitted to the State increased \$23,000. The State requires such costs collected for non-research sponsored projects in excess of \$200,000 to be remitted.
- State capital appropriations decreased by \$10.9 million, as the University did not receive State funding for capital projects in the current fiscal year.
- Capital grants and gifts decreased \$16.5 million due to fewer capital gifts received this fiscal year.
- Additions to permanent endowments decreased by \$7,000 as a result of reduced individual donor gifts.

Total Expenses by Natural Classification \$1,171,808 (thousands of dollars)



Statement of Net Position

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the University as of the end of the fiscal year. The Statement of Net Position is a point of time financial statement. The purpose of the Statement of Net Position is to present to the readers of the financial statements a fiscal snapshot of Clemson University. The Statement of Net Position presents end-of-year data concerning Assets (property that we own and what we are owed by others), Deferred Outflows of Resources (consumption of net position by the University that is applicable to a future reporting period), Liabilities (what we owe to others and have collected from others before we have provided the service), Deferred Inflows of Resources (acquisition of net position by the University that is applicable to a future reporting period), and Net Position (Assets and Deferred Outflows of Resources, minus Liabilities and Deferred Inflows of Resources). It is prepared under the accrual basis of accounting, where revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service to us, regardless of when cash is exchanged.

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the institution. They are also able to determine how much the institution owes vendors, investors, and lending institutions. Finally, the Statement of Net Position provides a picture of the net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) and their availability for expenditure by the institution.

Net position is divided into three major categories. The first category, net investment in capital assets, provides the institution's equity in property, plant, and equipment owned by the institution. The next category is restricted net position, which is divided into two categories, nonexpendable and expendable. Restricted nonexpendable net position consists solely of the University's permanent endowment funds and is only available for investment purposes. Expendable restricted net position is available for expenditure by the institution but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position. Unrestricted net position is available to the institution for any lawful purpose of the institution. Although unrestricted net position is not subject to externally imposed stipulations, substantially all of the University's unrestricted net position has been designated for various academic and research programs and initiatives.

Assets and Deferred Outflows of Resources— increase of \$314.7 million

- Current assets increased \$140.5 million. Unrestricted cash balances increased \$139.1 million and restricted cash increased \$8.2 million. The unrestricted cash increase was driven by an increase in student fee collections and University-wide efforts to curtail spending. Restricted cash increased, primarily as a result of the University issuing State Institution bonds. Accounts receivable decreased \$9.6 million due to receipts from federal CARES Act funding and the wind turbine testing project.

Condensed Summary of Net Position (<i>thousands of dollars</i>)				
Description	2021	2020	Increase/ (Decrease)	Percent Change
Assets				
Current assets	772,316	\$ 631,841	\$ 140,475	22.23 %
Capital assets, net	1,455,245	1,461,475	(6,230)	(0.43) %
Other noncurrent assets	265,050	213,549	51,501	24.12 %
Total assets	2,492,611	2,306,865	185,746	8.05 %
Deferred outflows of resources	327,192	198,212	128,980	65.07 %
Total assets and deferred outflows of resources	2,819,803	2,505,077	314,726	12.56 %
Liabilities				
Current liabilities	161,958	140,894	21,064	14.95 %
Noncurrent liabilities	2,180,829	1,970,624	210,205	10.67 %
Total liabilities	2,342,787	2,111,518	231,269	10.95 %
Deferred inflows of resources	53,473	66,958	(13,485)	(20.14) %
Total liabilities and deferred inflows of resources	2,396,260	2,178,476	217,784	10.00 %
Net Position				
Net investment in capital assets	824,010	836,774	(12,764)	(1.53) %
Restricted - nonexpendable	59,504	58,967	537	0.91 %
Restricted - expendable	244,504	209,643	34,861	16.63 %
Unrestricted	(704,475)	(778,783)	74,308	(9.54) %
Total net position	\$ 423,543	\$ 326,601	\$ 96,942	29.68 %

Grants and contracts receivable increased \$5.7 million due to increased receivables for PSA appropriations and grants and contracts on sponsored projects. Contributions receivable increased \$430,000 due to the establishment of new pledges, offset by the payment of existing pledges. Interest income receivable on cash balances held by the State Treasurer's Office increased \$549,000. Inventories increased \$267,000 due to decreased computer store inventory and student health center supplies, offset by increases in Blue Cheese inventory. Prepaid items decreased \$620,000 as a result of IT license and maintenance agreements and athletic team travel, offset by increases for space needed for isolation and quarantine due to COVID-19. Other current assets decreased \$2 million as a result of an under-recovery of pooled fringes in the prior year. Current and non-current over-recoveries are reflected in current and non-current liabilities.

- Net capital assets decreased \$6.2 million. Non-depreciable assets decreased \$67.8 million as construction completed on major projects including the College of Business, West Energy Plant Tower and Chiller, Child Development Center and Soccer Operations Complex. Depreciable capital assets increased \$61.6 million. Buildings increased \$71.7 million due to capitalization of new facilities offset by depreciation expense of current operational buildings. Depreciation of existing utilities and other non-structural improvements contributed to the decrease of \$2.1 million. Equipment decreased \$8.3 million, with depreciation offsetting new additions. The increase in vehicles of \$310,000 was a result of current year purchases of departmental vehicles.
- Other noncurrent assets increased \$51.5 million. The balance on loan to the Clemson University Foundation (CUF) increased \$50.2 million. Appreciation, income, and realized gains were offset by transfers from CUF. Noncurrent contributions receivable increased \$1.6 million due to the establishment of new pledges, offset by the payment of existing pledges. Investments increased \$703,000 due to the increased values of balances held at Wells Fargo and split dollar life insurance policies. Restricted noncurrent cash balances increased \$43,000 due to nominal increases in both Perkins loan funds and endowment cash balances. Student loans receivable decreased \$1.0 million due to collections of Perkins Federal student loans.
- Deferred outflows of resources increased \$129 million. Deferred losses on bond refunding decreased \$451,000 due to amortization of existing losses. Deferred outflows related to the University's proportionate share of the state's net pension liability increased \$41.6 million. Deferred outflows related to the University's proportionate share of the state's retiree health benefits liability increased \$87.8 million.

Liabilities and Deferred Inflows of Resources – increase of \$217.8 million

- Current liabilities increased \$21.1 million. The University's efforts to curtail nonessential spending due to the COVID-19 pandemic resulted in a decrease in accounts payable of \$5.2 million. Accrued payroll and related liabilities increased by \$8.3 million as the result of one-time bonuses approved by the Board of Trustees. Current compensated absences increased \$1.7 million as a result of increased fringe costs in the current year. Accrued interest payable decreased \$135,000 due to the pay-down of existing debt. Unearned revenues increased by \$11.3 million due to growth in athletic ticket sales for the upcoming football season, deferred student payments for the summer semester, and grants and contracts funding received in advance of expenditures. Current deposits increased by \$4 million due to an over-recovery of pooled fringes for the fiscal year ending June 30, 2020 that will be absorbed/adjusted through the approved pooled fringe rate established for the fiscal year ended June 30, 2022. The current portion of funds held for others increased \$73,000 due to an increase in agency fund balances.
- Noncurrent liabilities increased by \$210.2 million. The University's proportionate share of the State's net pension liability increased by \$92.7 million. The University's proportionate share of the State's liability for retiree health benefits increased by \$130.4 million. Net investment income and plan contributions were not substantial enough to offset the plans' benefit payments and administrative costs, resulting in an increase to the plans' overall net liability. Long-term debt decreased \$17.9 million due to paying down existing debt. The long-term liability for compensated absences and related liabilities increased \$2.9 million. The noncurrent portion of deposits increased by \$3.1 million due to an over-recovery of pooled fringe benefits for the fiscal year ended June 30, 2021 that will be absorbed through the approved pooled fringe rate established for the fiscal year ending June 30, 2023. The noncurrent portion of funds held for others related to Perkins loans decreased \$1 million.
- Deferred inflows of resources decreased \$13.5 million. Deferred inflows of resources related to the University's net pension liability decreased by \$2 million. Deferred inflows of resources related to the University's net retiree health benefit liability decreased by \$11.5 million. Deferred inflows of resources include the calculated difference between actual and projected investment earnings on the state's pension and retiree health benefit plans.

Net Position – increase of \$96.9 million

- Net investment of capital assets decreased \$12.8 million. This increase resulted from a decrease in capital assets of \$6.2 million and a decrease in capital debt of \$615,000, offset by a decrease in unspent bond proceeds of \$7.6 million, and a \$451,000 increase in deferred outflows of resources as discussed above.

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- Restricted – nonexpendable net position for scholarships and fellowships increased \$537,000 as the result of investment gains on endowment balances held by Wells Fargo and small increases in various scholarship endowment funds.
- Restricted for expendable net position increased \$34.9 million, based on the following:
 - Restricted – expendable net position for scholarships and fellowships increased \$6.2 million due to an increase in gifts and pledged scholarship funding.
 - Restricted – expendable net position for research decreased \$3.5 million, primarily because of sponsored program research activity.
 - Restricted – expendable net position for instructional/departmental use increased \$948,000 due to State funding for the outdoor lab and Call Me Mister program.
 - Restricted – expendable net position for student loans increased \$300 as the result of a slight increase in investment income earnings.
 - Restricted – expendable net position for capital projects increased \$32.7 million resulting, in large part, from increases in operating transfers to housing, dining, parking and athletic improvement funds. The University also issued State Institution bonds for improvements to the wastewater treatment plant.
 - Restricted – expendable net position for debt service decreased \$1.4 million, as investment earnings decreased on funds held by the State Treasurer’s Office.
- Unrestricted net position increased \$74.3 million, based on the following:
 - The University’s proportionate share of the state’s net pension liability and net retiree health benefit liability and accompanying deferred inflows and outflows of resources resulted in a \$80.2 million reduction of unrestricted net position.
 - Unrestricted - educational and general increased \$52.7 million as the result of increased student tuition and fee revenues and efforts to curtail spending.
 - Unrestricted – unexpended plant increased \$43.0 million as the result of facilities planned maintenance projects and other University initiatives.
 - Unrestricted – board designated endowments increased \$50.5 million as the result of investment earnings and an increase in endowment gifts.
 - Unrestricted – public services net position increased \$3.7 million.
 - Unrestricted – auxiliaries net position increased \$4.6 million due to housing and dining operations. This was offset by decreases in investment earnings on funds held by the State Treasurer’s Office and losses sustained by the Student Health Center and computer store.

Statement of Cash Flows

The final statement presented is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the institution during the year. The statement is divided into five parts. The first part deals with operating cash flows and shows the net cash used by the operating activities of the institution. The second section reflects cash flows from noncapital financing activities. This section reflects the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes. The third section deals with cash flows from capital and related financing activities. This section deals with the cash used for the acquisition and construction of capital and related items. The fourth section reflects the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fifth section reconciles the net cash used to the operating income or loss reflected on the Statement of Revenues, Expenses and Changes in Net Position.

Capital Assets

Capital assets, net of accumulated depreciation, at June 30, 2021 and June 30, 2020 were as follows:

Capital Assets (net of accumulated depreciation)				
Description	2021	2020	Increase/ (Decrease)	Percent Change
Capital Assets:				
Land and improvements	\$ 34,362,728	\$ 34,362,728	\$ —	— %
Construction in progress	102,431,552	170,298,218	(67,866,666)	(39.85) %
Utilities systems and other non-structural improvements	65,355,772	67,502,632	(2,146,860)	(3.18) %
Buildings and improvements	1,131,308,395	1,059,553,093	71,755,302	6.77 %
Equipment	115,832,053	124,114,220	(8,282,167)	(6.67) %
Vehicles	5,954,363	5,644,536	309,827	5.49 %
Total Capital Assets	<u>\$1,455,244,863</u>	<u>\$1,461,475,427</u>	<u>\$ (6,230,564)</u>	<u>(0.43)%</u>

- There were no increases or decreases in land during the fiscal year.
- Construction in Progress decreased \$67.9 million, as construction was completed on major University projects, including the College of Business, Soccer Complex, Childcare Facility, and an update to the campus electrical distribution system.
- Utilities Systems and Other Non-Structural Improvements decreased approximately \$2.1 million, due to depreciation expense on new and existing assets.
- Buildings increased \$71.8 million due to capitalizations in the current fiscal year that were offset by depreciation on current operational buildings.
- Capitalized computer software is fully depreciated.
- Equipment decreased \$8.3 million. New additions totaling approximately \$15.6 million were offset by depreciation and disposals.
- Vehicles increased \$310,000 as a result of departmental vehicle purchases, offset by depreciation expense.

For more detailed information on capital asset activity, please refer to Note 4 – Capital Assets in the notes to the financial statements.

Debt Administration

The University's financial statements indicate \$624,510,027 in bonds payable and \$10,407,745 in capital leases payable at June 30, 2021.

The University's bonded indebtedness consisted of: General Obligation Bonds of \$216,613,542, Athletic Facilities Revenue Bond issues totaling \$129,866,555, and Revenue Bonds of \$278,029,930. General Obligation Bonds are obligations of the State of South Carolina and are secured as to principal and interest by a pledge of the full faith, credit, and taxing power of the State and are paid with tuition and matriculation fees. Athletic Facilities Revenue Bonds are payable solely from the net revenues of the University's Athletic Department and gross receipts from the imposition of any admissions fee and any special student fee. Revenue bonds are payable solely from and secured by a pledge of revenues of the University's housing facilities, bookstore, dining services, parking, vending and from additional funds from the academic "University fee" imposed by the Board of Trustees.

Capital leases totaling \$10,407,745 include a capital lease with the Clemson University Land Stewardship Foundation (CULSF), its component unit, for space in the Greenville One Building in downtown Greenville, SC and multiple equipment leases for printers and copiers. The outstanding liability on the capital lease for the Greenville One building as of June 30, 2021 was \$9,568,138. The outstanding liability on equipment leases was \$839,607 as of June 30, 2021.

For additional information, see Notes 6 and 7 in the notes to the financial statements.

Economic Outlook

As a state-supported higher education institution, the University's economic position is closely tied to the State of South Carolina. The State ended fiscal year 2021 with a \$1.427 billion budgetary surplus. As a result of the increase in revenue collections, a supplemental spending bill of \$1.427 billion was introduced to address funding requests for state agencies, colleges, and universities with the remaining funds earmarked for numerous nonprofit and community-based organizations. The deficit in the state's five retirement plans and retiree health insurance plan were not included in the spending bill but represents \$47 billion of debt. Comptroller General Richard Eckstrom stated, "A starting point would be to earmark all, or at least a significant portion, of the available \$1.024 billion of year end General Fund surplus to make special contributions into SCRS and PORS. In addition to this unobligated surplus, there is currently \$0.524 billion in the Contingency Reserve that could be earmarked to apply against the state's retirement benefit deficit. These would be transparent earmarks that ought to endure close public scrutiny".

State appropriations to fund University operations decreased \$1.1 million for fiscal year 2021, a decrease of approximately 1 percent over the previous year. Base appropriations increased for Educational and General and Public Service activities, totaling \$2.9 million and \$1.2 million, respectively. Appropriations for health and dental costs, retirement contributions, and cost of living and bonus adjustments decreased by \$5.2 million. State scholarship programs funded with lottery proceeds increased by approximately \$6.1 million, totaling \$69.2 million for 2021.

The University's Board of Trustees adopted a budget for 2022 representing a "return to normal" with an intentional focus regarding expense control. Increased University enrollment is expected along with an increase in revenues from athletics, housing, and dining as well as additional state operating appropriations. A series of facilities projects were approved and include continued updates to core campus, the relocation of the physical plant, and renovations to Memorial Stadium.

CLEMSON UNIVERSITY

STATEMENT OF NET POSITION

June 30, 2021

Description	Amount
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current Assets:	
Cash and cash equivalents	\$ 467,903,814
Restricted Assets - Current:	
Cash and cash equivalents	227,772,038
Accounts receivable (net of provision for doubtful accounts of \$596,875)	32,032,043
Grants and contracts receivable	30,487,797
Contributions receivable, net	1,283,656
Interest and income receivable	2,389,818
Student loans receivable	3,382
Inventories	2,150,911
Prepaid items	8,213,541
Other current assets	79,024
Total current assets	772,316,024
Noncurrent Assets:	
Notes receivable	251,458,368
Contributions receivable, net	2,320,111
Investments	5,120,618
Restricted Assets - Noncurrent:	
Cash and cash equivalents	2,212,363
Student loans receivable	3,938,916
Capital assets, not being depreciated	136,794,280
Capital assets, net of accumulated depreciation	1,318,450,583
Total noncurrent assets	1,720,295,239
Total assets	2,492,611,263
Deferred Outflows of Resources:	
Deferred losses on bond refunding	3,682,888
Deferred outflows on net pension liability	140,317,926
Deferred outflows on net retiree health benefits liability	183,190,594
Total deferred outflows of resources	327,191,408
Total assets and deferred outflows of resources	\$ 2,819,802,671
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current Liabilities:	
Accounts and retainages payable	\$ 20,328,611
Accrued payroll and related liabilities	33,451,553
Accrued compensated absences and related liabilities	17,177,593
Accrued interest payable	4,246,313
Unearned revenues	55,022,945
Bonds payable	25,105,040
Capital leases payable	988,096
Deposits	4,791,572
Funds held for others	846,063
Total current liabilities	161,957,786
Noncurrent Liabilities:	
Accrued compensated absences and related liabilities	18,889,407
Deposits	7,189,922
Funds held for others	4,181,495
Net pension liability	765,005,756
Net retiree health benefits liability	776,737,845
Bonds payable	599,404,987
Capital leases payable	9,419,649
Total noncurrent liabilities	2,180,829,061
Total liabilities	2,342,786,847
Deferred Inflows of Resources:	
Deferred inflows on net pension liability	2,929,915
Deferred inflows on net retiree health benefits liability	50,542,639
Total deferred inflows of resources	53,472,554
Total liabilities and deferred inflows of resources	\$ 2,396,259,401
NET POSITION	
Invested in capital assets, net of related debt	\$ 824,009,978
Restricted for nonexpendable purposes:	
Scholarships and fellowships	59,504,350
Restricted for expendable purposes:	
Scholarships and fellowships	29,136,643
Research	(2,960,831)
Instructional/departmental use	16,475,840
Loans	2,269,264
Capital projects	188,037,697
Debt service	11,545,785
Unrestricted	(704,475,456)
Total net position	\$ 423,543,270

See accompanying notes to basic financial statements.

CLEMSON UNIVERSITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended June 30, 2021

Description	Amount
REVENUES	
Operating Revenues:	
Student tuition and fees (net of scholarship allowances of \$117,285,327)	\$ 478,013,851
Federal grants and contracts	101,160,105
State grants and contracts	87,703,523
Local grants and contracts	1,150,939
Nongovernmental grants and contracts	11,812,413
Sales and services of educational and other activities	18,347,963
Sales and services of auxiliary enterprises - pledged for revenue bonds (net of scholarship allowances of \$12,878,305)	104,931,336
Sales and services of auxiliary enterprises - not pledged	35,302,431
Other operating revenues	29,412,618
Total operating revenues	867,835,179
EXPENSES	
Operating Expenses	
Compensation and employee benefits	743,857,430
Services and supplies	275,873,997
Utilities	19,216,851
Depreciation	68,023,675
Scholarships and fellowships	42,112,014
Total operating expenses	1,149,083,967
Operating (loss)	(281,248,788)
NONOPERATING REVENUES (EXPENSES)	
State appropriations	143,173,821
Federal appropriations	13,015,971
Gifts and grants	181,437,253
Interest income	6,077
Endowment income	59,597,281
Interest on capital asset related debt	(21,596,335)
Other nonoperating revenues	321,772
Loss on disposal of capital assets	(197,359)
Refunds to grantors	(513,424)
Facilities and administrative remittances to the State	(292,132)
Net nonoperating revenues	374,952,925
Income before other revenues, expenses, gains or losses	93,704,137
Capital grants and gifts	3,155,493
Additions to permanent endowments	82,613
Increase in net position	96,942,243
NET POSITION	
Net position, beginning of year	326,601,027
Net position, end of year	\$ 423,543,270

See accompanying notes to basic financial statements.

CLEMSON UNIVERSITY

STATEMENT OF CASH FLOWS

For the year ended June 30, 2021

Description	Amount
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments from customers	\$ 623,751,804
Grants and contracts	187,748,916
Payments to suppliers	(268,704,750)
Payments to employees	(474,594,832)
Payments for benefits	(156,279,696)
Payments to students	(61,331,832)
Inflows from Stafford loans	68,573,944
Outflows from Stafford loans	(9,293,762)
Loans to students	(41,122)
Collection of loans	1,064,061
Net cash provided (used) by operating activities	(89,107,269)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES	
State appropriations	143,173,821
Federal appropriations	11,671,145
Gifts and grants	178,147,246
Net cash flow provided (used) by noncapital financing activities	332,992,212
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from capital debt	8,088,864
Capital grants and gifts received	2,724,456
Proceeds from sale of property	124,545
Purchases of capital assets	(72,465,697)
Capital lease payments	(977,488)
Principal payments and redemption premiums on long term debt	(21,490,000)
Interest and fees	(23,846,164)
Net cash provided (used) by capital activities	(107,841,484)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	1,291,406
Proceeds from notes receivable with Clemson University Foundation	10,000,000
Net cash flows provided (used) by investing activities	11,291,406
Net change in cash	147,334,865
Cash beginning of year	550,553,350
Cash end of year	\$ 697,888,215
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (281,248,788)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	68,023,675
Amortization of net pension liability	49,096,809
Amortization of net retiree health benefit liability	36,845,148
Change in asset and liabilities:	
Receivables, net	11,621,678
Grants and contracts receivable	(91,625)
Student loans receivable	1,019,140
Prepaid items	627,298
Inventories	266,986
Pooled fringe adjustment	1,976,705
Accounts and retainages payable	(1,689,079)
Accrued payroll and related liabilities	2,442,232
Accrued compensated absences and related liabilities	4,624,000
Unearned revenue	11,294,802
Deposits held for others	6,083,750
Net cash provided (used) by operating activities	\$ (89,107,269)
NON-CASH TRANSACTIONS	
Increase in fair value of investments and notes receivable	\$ 64,332,964
Assets acquired through gifts	431,037
State capital appropriations receivable	6,724,460
Collection of capital gift receivable	1,543,186
Loss on disposal of capital assets	(197,659)
Assets acquired through capital lease	246,687
RECONCILIATION OF CASH AND CASH EQUIVALENT BALANCES	
Current assets:	
Cash and cash equivalents	\$ 467,903,814
Restricted cash and cash equivalents	227,772,038
Noncurrent assets	2,212,363
Total cash and cash equivalent balances	\$ 697,888,215

See accompanying notes to basic financial statements.

CLEMSON UNIVERSITY FOUNDATION
NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF FINANCIAL POSITION

June 30, 2021

DESCRIPTION	AMOUNT
ASSETS	
Cash and cash equivalents	\$ 69,900,170
Contributions receivable, net	79,487,188
Trusts held by others	7,021,734
Due from related organizations	5,489,962
Investments	715,870,080
Investments held for Clemson University	251,138,535
Cash surrender value of life insurance	2,608,902
Land held for resale	11,900
Land, buildings and equipment, net	9,184,396
Funds held in trust for affiliates:	
Non-pooled assets, net	13,528,755
Pooled investments	53,360,484
Contributions receivable, net	32,137,882
Other assets	1,210,475
Total Assets	\$ 1,240,950,463
LIABILITIES AND NET ASSETS	
Liabilities:	
Accounts payable and accrued liabilities	\$ 901,646
Due to related organizations	1,047,816
Accrued liability to Clemson University due to net investment appreciation	104,460,880
Note payable to Clemson University	146,677,655
Deferred revenue	—
Actuarial liability of annuities payable	3,909,010
Funds administered for affiliates	99,027,121
Total Liabilities	\$ 356,024,128
Net Assets:	
Without donor restrictions	62,654,828
With donor restrictions	822,271,507
Total Net Assets	884,926,335
Total Liabilities and Net Assets	\$ 1,240,950,463

See accompanying notes to basic financial statements.

CLEMSON UNIVERSITY FOUNDATION
NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF ACTIVITIES

For the year ended June 30, 2021

DESCRIPTION	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Revenues, Gains, and Other Support:			
Gifts and bequests	\$ 8,294,709	\$ 81,985,883	\$ 90,280,592
Investment return, net	22,372,716	150,378,535	172,751,251
Program income	571,713	277,638	849,351
Other income	847,453	35,778	883,231
Change in value of split-interest agreements	60,372	3,123,668	3,184,040
Total	32,146,963	235,801,502	267,948,465
Net assets released from restrictions	24,303,350	(24,303,350)	—
Total Revenues, Gains and Other Support	56,450,313	211,498,152	267,948,465
Expenses:			
Program expenses in support of Clemson University	26,751,344	—	26,751,344
Administrative and investment support	3,227,232	—	3,227,232
Fundraising	3,668,315	—	3,668,315
Total Expenses	33,646,891	—	33,646,891
Change in net assets before other changes	22,803,422	211,498,152	234,301,574
Other Changes:			
Transfers to related entities	(303,407)	976,322	672,915
Total Other Changes	(303,407)	976,322	672,915
Change in net assets	22,500,015	212,474,474	234,974,489
Net assets, beginning of year	40,154,813	609,797,033	649,951,846
Net assets, end of year	\$ 62,654,828	\$ 822,271,507	\$ 884,926,335

See accompanying notes to basic financial statements.

CLEMSON UNIVERSITY LAND STEWARDSHIP FOUNDATION
NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF FINANCIAL POSITION

June 30, 2021

DESCRIPTION	AMOUNT
ASSETS	
Cash and cash equivalents	\$ 4,164,576
Receivables	134,357
Prepaid expense	—
Real estate investments	89,869,126
Real estate and equipment, net	11,698,508
Direct financing lease	9,595,083
Development costs	690,097
Total Assets	<u>\$ 116,151,747</u>
LIABILITIES AND NET ASSETS	
Accounts payable	\$ 147,518
Accrued interest payable	50,241
Deposits held for others	38,657
Retainage payable	79,630
Unearned revenue	74,808
Deferred rent revenue	51,226
Due to Clemson University Foundation	24,723,411
Notes payable, net	43,562,513
Total Liabilities	<u>\$ 68,728,004</u>
Net Assets Without Donor Restrictions	<u>47,423,743</u>
Total Net Assets	<u>47,423,743</u>
Total Liabilities and Net Assets	<u>\$ 116,151,747</u>

See accompanying notes to basic financial statements.

CLEMSON UNIVERSITY LAND STEWARDSHIP FOUNDATION
NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF ACTIVITIES

For the year ended June 30, 2021

DESCRIPTION	AMOUNT
Revenues, Gains, and Other Support:	
Gifts and contributions	\$ 95,741
Rental revenues	4,725,480
Direct financing	3,301
Common area and management fees	311,740
Income on short-term investments	3,294
Miscellaneous reimbursements	79,024
Real estate investment return, net	15,030,455
Deferred revenue from cancelled land lease	1,417,370
Total Revenues and Gains	<u>21,666,405</u>
Program expenses:	
CU-ICAR campus	1,603,457
Greenville One	310,113
Administrative and other	403,358
Total Program Expenses	<u>2,316,928</u>
Interest expense	1,272,968
Total expenses	<u>3,589,896</u>
Change in net assets without donor restrictions before other changes	18,076,509
Other changes:	
Contributions to a related entity, net	<u>—</u>
Change in net assets without donor restrictions	18,076,509
Net assets without donor restrictions, beginning of year	29,347,234
Net assets without donor restrictions, end of year	<u>\$ 47,423,743</u>

See accompanying notes to basic financial statements.

IPTAY

NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT

STATEMENT OF FINANCIAL POSITION

June 30, 2021

DESCRIPTION	AMOUNT
ASSETS	
Cash and cash equivalents	\$ 13,377,616
Due from related organizations	6,500
Annual fund receivable, net	253,943
Investments	32,951,086
Funds held in trust by an affiliate:	
Non-pooled assets	12,789,368
Pooled investments	35,461,554
Contributions receivable, net	31,970,958
Total Assets	<u>\$ 126,811,025</u>
LIABILITIES AND NET ASSETS	
Accounts payable and accrued expenses	\$ 111,410
Refund liability	—
Due to related organizations	4,126,566
Notes Payable	5,000,000
Total Liabilities	<u>\$ 9,237,976</u>
Net assets	
Without Donor Restrictions:	
Undesignated	38,698,406
Quasi-endowment	32,306,620
Total Without Donor Restrictions	71,005,026
With Donor Restrictions	46,568,023
Total Net Assets	<u>117,573,049</u>
Total Liabilities and Net Assets	<u>\$ 126,811,025</u>

See accompanying notes to basic financial statements.

IPTAY

NON-GOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNIT

STATEMENT OF ACTIVITIES

For the year ended June 30, 2021

DESCRIPTION	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Revenues, Gains, and Other Support:			
Contributions from the public	\$ 48,948,454	\$ 15,360,001	\$ 64,308,455
Investment return, net	17,477,813	1,176,078	18,653,891
Interest income	42,326	—	42,326
	<u>66,468,593</u>	<u>16,536,079</u>	<u>83,004,672</u>
Net assets released from restrictions:			
Satisfaction of time restriction	6,362,973	(6,362,973)	—
Satisfaction of purpose restrictions	539,383	(539,383)	—
Total Revenues, Gains, and Other Support	<u>73,370,949</u>	<u>9,633,723</u>	<u>83,004,672</u>
Expenses:			
Program services:			
Support of Clemson University:			
Athletic operations	53,036,001	—	53,036,001
Debt service	8,712,285	—	8,712,285
Other athletic support	938,354	—	938,354
Management and general	1,309,842	—	1,309,842
Total Expenses	<u>63,996,482</u>	<u>—</u>	<u>63,996,482</u>
Excess of revenues over expenses	9,374,467	9,633,723	19,008,190
Contributions of net assets from a related party (Note 7)	—	(4,920)	(4,920)
Change in net assets	9,374,467	9,628,803	19,003,270
Net assets, beginning of year	61,630,559	36,939,220	98,569,779
Net assets, end of year	<u>\$ 71,005,026</u>	<u>\$ 46,568,023</u>	<u>\$ 117,573,049</u>

See accompanying notes to basic financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Clemson University is a State-supported, coeducational institution of higher education. The University is granted an annual appropriation for operating purposes as authorized by the South Carolina General Assembly. The appropriation as enacted becomes the legal operating budget for the institution. The Appropriation Act authorizes expenditures from funds appropriated from the General Fund of the State and authorizes expenditures of total operating funds. The laws of the State and the policies and procedures specified by the State for State agencies and institutions are applicable to the activities of the University. The University was established as an institution of higher education by Section 59-119-20 of the Code of Laws of South Carolina in accordance with the will of Thomas Green Clemson and the Act of Acceptance of the General Assembly of South Carolina. The University is a component unit of the State of South Carolina and its financial statements are included in the Annual Comprehensive Financial Report of the State of South Carolina. The University is governed by a board of thirteen members, including six elected by the State Legislature and seven self-perpetuating life members. Accordingly, as such it administers, has jurisdiction over, and is responsible for the management of the University.

Reporting Entity

The financial reporting entity, as defined by Governmental Accounting Standards Board (GASB) Codification Section 2100, *Defining the Financial Reporting Entity*, consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. GASB Codification Section 2600, *Reporting Entity and Component Unit Presentation and Disclosure*, provides criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship with a primary government and classifies reporting requirements for those organizations. Based on these criteria, the financial statements include the University and its blended component unit as the primary government, and other related entities as discretely presented component units.

The Clemson Research Facilities Corporation (CRFC) is a separately chartered not-for-profit corporation established to construct certain facilities for the University. CRFC is a fully blended component unit of the University. Although legally separate from the University, CRFC's activities are so intertwined with the University's that they are, in substance, the same as the primary entity. CRFC's activities are governed by its Board of Directors which is wholly comprised of University representatives. Its balances and transactions are blended with those of the University and reported as if they were balances and transactions of the University.

The Clemson University Foundation (CUF) is a separately chartered corporation organized exclusively to promote the development and welfare of Clemson University in its educational and scientific purposes. CUF's activities are governed by its Board of Directors. CUF is considered a component unit, and is discretely presented in the financial statements, because the nature and significance of its relationship with the University is such that exclusion from the reporting entity would render the financial statements incomplete. CUF is considered a nongovernmental component unit since it does not meet the definition of a governmental entity. None of the following characteristics of a governmental entity apply to CUF: a) Organization is a public corporation; b) Organization is a body corporate and politic; c) A controlling majority of the members of the organization are elected or appointed by governmental officials; d) There is potential for unilateral dissolution by a government with the net assets reverting to the government; and e) The organization has the power to enact and enforce a tax levy. Because CUF is deemed not to be a governmental entity and uses a different reporting model, its balances and transactions are reported on separate financial statements. Copies of the separately issued financial statements of the Clemson University Foundation can be obtained by sending a request to the following address: Clemson University Foundation, 110 Daniel Drive, Clemson, SC, 29634.

The Clemson University Land Stewardship Foundation (CULSF) is a separately chartered corporation, established to serve the needs of Clemson University in the management, development, and investment of real property and related assets. CULSF's activities are governed by its Board of Directors. CULSF is considered a component unit, and is discretely presented in the financial statements, because the nature and significance of its relationship with the University is such that exclusion from the reporting entity would render the financial statements incomplete. CULSF is considered a nongovernmental component unit since it does not meet the definition of a governmental entity (as described above). Copies of the separately issued financial statements of the Clemson University Land Stewardship Foundation can be obtained by sending a request to the following address: Clemson University Land Stewardship Foundation, P.O. Box 1889, Clemson, SC 29633.

NOTES TO FINANCIAL STATEMENTS

IPTAY is a separately chartered corporation established exclusively to support University athletics. IPTAY's activities are governed by its Board of Directors. IPTAY is considered a component unit, and is discretely presented in the financial statements, because the nature and significance of its relationship with the University is such that exclusion from the reporting entity would render the financial statements incomplete. IPTAY is considered a nongovernmental component unit since it does not meet the definition of a governmental entity (as described above). Copies of the separately issued financial statements of IPTAY can be obtained by sending a request to the following address: IPTAY, P.O. Box 1529, Clemson, SC 29633.

Financial Statement Presentation

The financial statement presentation for the University meets the requirements of GASB Codification Sections 2100- 2900, *Financial Reporting Entity*, and Co5, *Colleges and Universities*. The financial statement presentation provides a comprehensive, entity-wide perspective of the University's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, expenses, changes in net position, and cash flows.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows, deferred outflows, revenues and expenses, and affect disclosure of contingent assets and liabilities at the date of the financial statements. Significant estimates include separation of accrued compensated absences between current and non-current, depreciation expense, accounts receivable allowances, scholarship allowances, and functional expense classifications. Actual results could differ from those estimates.

Basis of Accounting

For financial reporting purposes, the University, along with Clemson Research Facilities Corporation, its fully blended component unit, is considered a special-purpose government engaged only in business-type activities. Accordingly, the University's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Student tuition and auxiliary enterprise fees are presented net of scholarships and fellowships applied to student accounts, while payments made directly are presented as scholarship and fellowship expenses. All significant inter-agency transactions have been eliminated.

The Clemson University Foundation (CUF), the Clemson University Land Stewardship Foundation (CULSF), and IPTAY are private nonprofit organizations that report under Financial Accounting Standards Board (FASB) standards, including Accounting Standards Codification Topic 958, *Not-for-Profit Entities*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to CUF, CULSF, or IPTAY's financial information in the University's financial reporting entity for these differences.

Cash and Cash Equivalents

The amounts shown in the financial statements in University funds as "cash and cash equivalents" represent petty cash, cash on deposit in banks, cash on deposit with the State Treasurer, cash invested in various instruments by the State Treasurer as part of the State's internal cash management pool, cash invested in various short-term instruments by the State Treasurer and held in separate agency accounts, and certain funds invested with Wells Fargo.

Most State agencies, including the University, participate in the State's internal cash management pool. Because the cash management pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. The State Treasurer administers the cash management pool. The pool includes some long-term investments such as obligations of the United States and certain agencies of the United States, obligations of the State of South Carolina and certain of its political subdivisions, certificates of deposit, collateralized repurchase agreements, and certain corporate bonds. For credit risk information pertaining to the cash management pool, see the deposits disclosures in Note 2.

The State's internal cash management pool consists of a general deposit account and several special deposit accounts. The State records each fund's equity interest in the general deposit account; however, all earnings on that account are credited to the General Fund of the State. The University records and reports its deposits in the general deposit account at cost. It records and reports its special deposit account at fair value. Investments held by the pool are recorded at fair value. Interest earned by the University's special deposit accounts is posted to its account at the end of each month and is retained. Interest earnings are allocated based on the percentage of the University's accumulated daily income receivable to the total income receivable of the pool. Reported interest income includes interest earnings at the stated rate, realized gains/ losses, and unrealized gains/losses arising from changes in the fair value of investments held by the pool. Realized gains and losses are allocated daily and are included in the accumulated income receivable. Unrealized gains and losses are allocated at year end based on the percentage of ownership in the pool.

NOTES TO FINANCIAL STATEMENTS

Some State Treasurer accounts are not included in the State's internal cash management pool because of restrictions on the use of the funds. For those accounts, cash equivalents include investments in short-term, highly liquid securities having an internal maturity of three months or less at the time of acquisition. For purposes of the Statement of Cash Flows, the University considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State Treasurer's Cash Management Program are considered to be cash equivalents.

Receivables

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of South Carolina. Accounts receivable are recorded net of estimated uncollectible amounts.

Grants and contracts receivable include amounts due from the Federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grant and contracts. Also included are amounts due for Federal loan and scholarships programs and reimbursements for Federal land-grant expenditures.

Contributions receivable are accounted for at their estimated net realizable value. The estimated net realizable value comprehends the present value of long-term pledges and reductions for any allowance for uncollectible pledges. Pledges vary from one to ten years and are used to support specifically identified University programs and initiatives.

Amounts due from the Clemson University Foundation are pursuant to a Memorandum of Understanding between the University and that entity prompted by a 1999 change in the South Carolina Code of Laws that allowed state-supported universities to lend endowment balances to separately chartered not-for-profit entities whose existence is primarily providing financial assistance and other support to the institution and its educational programs. For additional information regarding this loan, see Note 3.

Student loans receivable consists of amounts due from the Federal Perkins Loan Program, and from other loans administered by the University.

Interest and income receivable consists of amounts due from the State Treasurer relating to holdings in the State's internal cash management pool and cash invested in various short-term investments by that agency.

Inventories

Inventories for internal use are valued at cost. Inventories for resale are carried at the lower of cost or market. Items accounted for as University inventories using the moving weighted average method include: maintenance supplies, housing supplies, janitorial and auto supplies, printing and graphic supplies, office supplies, computer parts and accessories, telecommunications supplies, medical supplies, and Clemson blue cheese production.

Prepaid Items

Expenditures for insurance and similar services paid for in the current or prior fiscal years and benefiting more than one accounting period are allocated among accounting periods. For the University, amounts reported in this asset account consist primarily of prepaid insurance, prepaid postage, prepaid airline tickets, and advance payments for maintenance and service agreements.

Investments

The University accounts for its investments at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the Statement of Revenues, Expenses and Changes in Net Position.

Noncurrent Cash and Investments

Noncurrent cash and investments primarily consist of permanently endowed funds and federal student loan funds. These funds are externally restricted and are classified as noncurrent assets in the Statement of Net Position.

Other Assets

The University submits a pooled fringe benefit rate proposal to its cognizant agency, the U.S. Department of Health & Human Services two years in advance of actual charges. Under-recoveries of actual costs are recognized as an Other Asset. These under-recoveries will be considered in the rate proposal for the next review period.

NOTES TO FINANCIAL STATEMENTS

Capital Assets

Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. The University follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions and renovations and other improvements that add to the usable space, prepare existing buildings for new uses, or extend the useful life of an existing building are capitalized. The University capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of one year and depreciable land improvements, buildings and improvements, and intangible assets, including internally developed software, costing in excess of \$100,000. Routine repairs and maintenance and library materials, except individual items costing in excess of \$5,000, are charged to operating expenses in the year in which the expense was incurred. Donated capital assets or donated works of art and similar items are reported at acquisition value. Capital assets received in a service concession arrangement are also reported at acquisition value.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 40 years for buildings and improvements and land improvements and 5 to 20 years for machinery, equipment, and vehicles. Internally developed software is depreciated using the straight-line method over a three year period. Depreciation expense is charged monthly, with a mid-month convention utilized for the initial month that the asset is placed in service.

Unearned Revenues

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Deposits

Deposits represent football-related guarantees and conference settlement amounts, and various student-related amounts including: dormitory room deposits, security deposits for possible room damage and key loss, other deposits, and student fee refunds. Student deposits are recognized as revenue during the semester for which the fee is applicable and earned when the deposit is nonrefundable to the student under the forfeit terms of the agreement.

Funds Held for Others

Current balances in Funds Held for Others result primarily from the University acting as an agent, or fiduciary, for another entity. These include amounts due to other entities and amounts due for various study abroad programs. Noncurrent balances represent the Federal liability for the Perkins Loan Program.

Internal Service and Auxiliary Enterprise Activities

Both revenue and expenses relating to internal service (including information technology costs) and auxiliary enterprise activities including print shop, office equipment, maintenance, transportation services, telecommunications, institutional computing, bookstores, and cafeterias have been eliminated.

Compensated Absences

Generally all permanent full-time State employees, and certain part-time employees scheduled to work at least one-half of the agency's workweek, are entitled to accrue and carry forward at calendar year-end maximums of 180 days sick leave and 45 days annual vacation leave, except that faculty members do not accrue annual leave. Upon termination of State employment, employees are entitled to be paid for accumulated unused annual vacation leave up to the maximum, but are not entitled to any payment for unused sick leave. The compensated absences liability includes accrued annual leave and compensatory overtime leave earned for which the employees are entitled to paid time off or payment at termination. The University calculates the compensated absences liability based on recorded balances of unused leave for which the employer expects to compensate employees through paid time off or cash payments at termination. That liability is inventoried at fiscal year-end current salary costs and the cost of the net change in the liability for salary-related benefit payments is recorded in the current year in the applicable functional expenditure categories.

Noncurrent Liabilities

Noncurrent liabilities include (1) principal amounts of bonds payable and capital lease obligations with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; and (3) other liabilities that, although payable within one year, are to be paid from funds that are classified as noncurrent assets.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS) and additions to/ deductions from SCRS's and PORS' fiduciary net position have been determined on the same basis as they are reported by SCRS or PORS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS

Other Postemployment Benefits Liability

For purposes of measuring the net postemployment benefit liability, deferred outflows of resources and deferred inflows of resources related to postemployment benefits, and benefit expense, information about the fiduciary net position of the South Carolina Public Employee Benefit Authority's Retiree Health Care Plan and Long-Term Disability Income Plan and additions to/deductions from the fiduciary net position of the plans have been determined on the same basis as they are reported by the South Carolina Public Employee Benefit Authority. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent consumption of net position that is applicable to a future period. Deferred inflows of resources represent acquisition of net position that is applicable to a future period. For the University, refunds related to debt defeasance are included in deferred outflows of resources. The deferred amount will be amortized over the remaining life of the debt refunded. Changes in net pension liability and net postemployment benefit liability not included in expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability and net postemployment benefit liability are reported as deferred outflows of resources.

Net Position

The University's components of net position are classified as follows:

Net Investment in Capital Assets: This represents the University's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted Net Position - Nonexpendable:

Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Restricted Net Position - Expendable: Restricted expendable net position includes resources in which the University is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted Net Position: Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the University and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the University's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

Income Taxes

The University is a political subdivision of the State of South Carolina and is consequently exempt from federal income taxes under Section 115(1) of the Internal Revenue Code, as amended.

The Internal Revenue Service has determined that the Clemson University Foundation, the Clemson University Research Foundation, the Clemson University Land Stewardship Foundation, and IPTAY qualify as exempt organizations under Internal Revenue Code Section 501(c)(3) and as such are exempt from taxation on related income.

Classification of Revenues and Expenses

The University has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating revenues and expenses: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, (3) most Federal, state and local grants and contracts, and (4) interest on institutional loans. Operating expenses include all expense transactions incurred other than those related to investing, capital or noncapital financing activities.

Nonoperating revenues and expenses: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, such as state and federal appropriations and investment income.

Nonoperating expenses include interest paid on capital asset related debt, losses on the disposal of capital assets, and facilities and administrative remittances to the State.

NOTES TO FINANCIAL STATEMENTS

Educational Activities Revenue

Revenues from sales and services of educational activities generally consist of amounts received from instructional, laboratory, research, and public service activities that incidentally create goods and services which may be sold to students, faculty, staff, and the general public. The University receives such revenues primarily from various activities related to the University's agricultural public service mission, including pesticide registration and licensing fees, livestock, poultry and health test fees, extension service fees, forest product sales, and youth camp fees. These unrestricted revenues are collectively labeled "Sales and Services of Educational and Other Activities".

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as either operating or nonoperating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship discount and allowance.

Adoption of New Accounting Standards

Effective for the fiscal year ended June 30, 2021, the University adopted GASB Statement No. 84, Fiduciary Activities. This statement establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes and improves guidance on how those activities should be reported. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The adoption of this standard had no effect on the University's financial statements in the current fiscal year.

The University also adopted GASB Statement No. 90, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61. This statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. It also defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The adoption of this standard had no effect on the University's financial statements in the current fiscal year.

NOTES TO FINANCIAL STATEMENTS

NOTE 2.

CASH AND CASH EQUIVALENTS, DEPOSITS AND INVESTMENTS

All deposits and investments of the University are under the control of the State Treasurer who, by law, has sole authority for investing State funds. Certain monies are deposited or invested with or managed by financial institutions and brokers.

The following schedule reconciles deposits and investments within the footnotes to the Statement of Net Position amounts:

Reconciliation of Deposits and Investments			
Statement of Net Position	Amount	Footnotes	Amount
Cash and cash equivalents:		Cash on hand	\$ 227,411
Current - unrestricted	\$ 467,903,814	Deposits held by State Treasurer	697,602,062
Current - restricted	227,772,038	Other deposits	58,742
Noncurrent - restricted	2,212,363	Investments held by State Treasurer	154,439
Investments	5,120,618	Other investments	4,966,179
Total	\$ 703,008,833	Total	\$ 703,008,833

Deposits Held by State Treasurer

State law requires full collateralization of all State Treasurer bank balances. The State Treasurer must correct any deficiencies in collateral within seven days.

With respect to investments in the State's internal cash management pool, all of the State Treasurer's investments are insured or registered or are investments for which the securities are held by the State or its agent in the State's name. Information pertaining to the reported amounts, fair values, and credit risk of the State Treasurer's investments is disclosed in the Annual Comprehensive Financial Report of the State of South Carolina. For the fiscal year ended June 30, 2021, an unrealized appreciation of \$7,729,228 is included in the \$697,602,062 identified above as "Deposits held by State Treasurer."

Other Deposits

The University's other deposits at year-end were entirely covered by federal depository insurance or collateral held by custodial banks.

Investments Held by State Treasurer

Investments held by State Treasurer comprise investments held for the University and the State of South Carolina which are legally restricted, and earnings thereon become revenue of the specific fund from which the investment was made. These investments are specific, identifiable investment securities. Investments consist of Agricultural College stock with a carrying amount of \$95,900 and Perpetual stock with a carrying amount of \$58,539 held by the State Treasurer as Trustee in Perpetuity on which they are required to pay the University six percent per year. Since there is no readily determinable fair value for these investments, they have been assigned a fair value equal to their historical cost value.

Other Investments

The University has investments in mutual funds as authorized by a single donor. The mutual funds with a fair value of \$2,875,656 are held and invested by Wells Fargo, as trustee in accordance with the endowment agreement specified by the donor. These investments are stated at fair value and include unrealized appreciation of \$2,275,686. Purchases and sales are accounted for on the trade date. Both unrealized and realized gains and losses on investments have been recorded. Earnings are recorded on an accrual basis.

The University has split dollar life insurance policies with two athletics coaches. The University has recorded investments with a fair value of \$2,090,523 related to these policies.

The University has adopted applicable accounting standards for its financial assets and liabilities which clarify that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The University utilizes market data or assumptions that market participants would use in pricing the asset or liability. The standards establish a three tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions. The University's investments consist entirely of mutual funds and other investments with readily determinable fair values in an active market. These investments have been categorized as Level 1.

The University does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NOTES TO FINANCIAL STATEMENTS

Other investments as of June 30, 2021 were as follows:

Other Investments			
Description	Effective Fair Value	Maturity (Years)	Credit Rating
Domestic bond fund	\$ 601,086	5.2	N/A
International bond fund	170,898	8.6	N/A
Equity funds	2,103,672	N/A	N/A
Split dollar life insurance	2,090,523	N/A	AA-
Total other investments	\$ 4,966,179		

NOTE 3. RECEIVABLES

University receivables reported in the Statement Net Position as of June 30, 2021, were as follows:

University Receivables			
Description	Current	Noncurrent	Total
Accounts receivable	\$ 32,032,043	\$ —	\$ 32,032,043
Grants and contracts receivable	30,487,797	—	30,487,797
Notes receivable	—	251,458,368	251,458,368
Contributions receivable, net	1,283,656	2,320,111	3,603,767
Interest and income receivable	2,389,818	—	2,389,818
Student loans receivable	3,382	3,938,916	3,942,298
Total University receivables	\$ 66,196,696	\$ 257,717,395	\$ 323,914,091

Accounts receivable are reported net of allowances for doubtful accounts of \$596,875 based on credit losses experienced in prior years and evaluation of current portfolios. Student payment allowances of \$456,000, parking services allowances of \$111,085, emergency medical service allowances of \$24,790, and telecommunications allowances of \$5,000 comprise this amount. Contributions receivable are reported net of allowances for current uncollectible pledges of \$226,528 and allowances for noncurrent uncollectible pledges of \$409,431.

Accounts receivable for the year ended June 30, 2021, were comprised of the following balances:

Accounts Receivable	
Description	Amount
Students/scholarships	\$ 7,170,159
State capital appropriations	6,724,460
Auxiliaries	14,679,951
Fees	2,038,436
Computer services	402,374
Educational programs	194,321
Other	822,342
Total accounts receivable	\$ 32,032,043

NOTES TO FINANCIAL STATEMENTS

Grants and contracts receivable are comprised of amounts due for sponsored research projects, federal land-grant appropriations, and federal scholarship programs. Grants and contracts receivable for the year ended June 30, 2021, were comprised of the following balances:

Grants and Contracts Receivable					
Description	Federal	State	Local	Nongovernmental	Total
Sponsored research	\$ 20,952,520	\$ 1,183,680	\$ 214,221	\$ 3,053,820	\$ 25,404,241
Land-grant appropriations	3,272,515	—	—	—	3,272,515
Scholarship programs	1,811,041	—	—	—	1,811,041
Total grants and contracts receivable	\$ 26,036,076	\$ 1,183,680	\$ 214,221	\$ 3,053,820	\$ 30,487,797

Contributions receivable are comprised of pledges for gifts to support specifically identified University programs and to provide athletic scholarships. Contributions receivable are accounted for at their estimated net realizable value, or the present value of long-term pledges and reductions for allowances for uncollectible pledges. Pledges vary from one to ten years.

Contributions Receivable			
Description	Current	Noncurrent	Total
University programs	\$ 1,283,656	\$ 2,320,111	\$ 3,603,767
Total contributions receivable	\$ 1,283,656	\$ 2,320,111	\$ 3,603,767

Part II, Section 9 of the 1998-99 State Appropriations Act amended the South Carolina Code of Laws by adding Section 59-101-410. This amendment allowed the governing boards of state-supported universities to lend their endowment and auxiliary enterprise funds on deposit with the State Treasurer's Office to separately chartered not-for-profit legal entities whose existence is primarily providing financial assistance and other support to the institution and its educational program.

Accordingly, as of June 30, 2021, the University had notes receivable from the Clemson University Foundation, a related party, totaling \$251,458,368. This amount includes the original loan of \$35,358,188, additional net contributions totaling \$27,913,092 since the fiscal year 1999 original loan, plus related income and appreciation. Funds loaned to the Clemson University Foundation will be paid back to the University with interest at a rate equal to that which is necessary to produce a sum which is equal to the total return (consisting of appreciation and income), provided, however, such rate will not be less than zero. The Memorandum of Understanding between Clemson

University and the Clemson University Foundation is for a ten-year period. It is reviewed annually by both parties and may be extended automatically for an additional twelve-month period unless either party provides written notice of objection to the extension, in which case, the Memorandum of Understanding will not automatically extend for an additional twelve-month period. The above notwithstanding, either party may terminate the Memorandum of Understanding at any time without cause upon one hundred eighty days written notice to the other party.

With minor exceptions, losses for loans to students are not estimated or recorded in allowances for uncollectible accounts. At the time a loan is considered uncollectible it is charged to principal. Any accounts receivable written off is recognized in the period in which the receivable is considered uncollectible. Based on past experience, potential losses are not deemed material.

Interest and income receivable consist of amounts due from the State Treasurer relating to holdings in the State's internal cash management pool and cash invested in various short-term investments by that agency.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, is summarized as follows:

Capital Assets					
Description	Beginning Balance July 1, 2020	Increases	Decreases	Transfers	Ending Balance June 30, 2021
Capital assets not being depreciated:					
Land and improvements	\$ 34,362,728	\$ 169,200	\$ 169,200	\$ —	\$ 34,362,728
Construction in progress*	170,298,218	30,889,933	864,345	(97,892,254)	102,431,552
Total capital assets not being depreciated	204,660,946	31,059,133	1,033,545	(97,892,254)	136,794,280
Depreciable capital assets:					
Utilities systems and other non-structural improvements	111,801,876	93,844	—	2,207,881	114,103,601
Buildings and improvements	1,559,128,843	13,877,315	—	95,684,373	1,668,690,531
Computer software	24,283,309	—	—	—	24,283,309
Equipment	361,421,272	15,633,305	6,835,251	—	370,219,326
Vehicles	20,735,188	2,314,115	251,740	—	22,797,563
Total depreciable capital assets at historical cost	2,077,370,488	31,918,579	7,086,991	97,892,254	2,200,094,330
Less accumulated depreciation for:					
Utilities systems and other non-structural improvements	44,299,244	4,448,585	—	—	48,747,829
Buildings and improvements	499,575,750	37,806,386	—	—	537,382,136
Computer software	24,283,309	—	—	—	24,283,309
Equipment	237,307,052	23,764,417	6,684,196	—	254,387,273
Vehicles	15,090,652	2,004,287	251,739	—	16,843,200
Total accumulated depreciation	820,556,007	68,023,675	6,935,935	—	881,643,747
Depreciable capital assets, net	1,256,814,481	(36,105,096)	151,056	97,892,254	1,318,450,583
Capital assets, net	\$1,461,475,427	\$ (5,045,963)	\$ 1,184,601	\$ —	\$1,455,244,863

* Includes current fiscal year capitalized interest of \$6,125,650

NOTE: The University received \$124,545 in proceeds from the sale of capital assets

NOTE 5. UNEARNED REVENUES, DEPOSITS AND FUNDS HELD FOR OTHERS

Unearned revenues consist primarily of athletic ticket sales and related fees and unearned student revenues for summer session and fall semester. These monies were collected in advance and were not earned at June 30, 2021.

Athletic sales and related event receipts include advance sales of football tickets and program advertising fees. Unearned student revenues consist mainly of student tuition and fees, room and board, and other fees related to the long summer session and fall semester. Also included are amounts received in advance for sponsored research programs.

Fees collected in advance for municipal services, contract credit courses, and various departmental accounts comprise the remaining balance of unearned revenues.

A summary listing of unearned revenue follows:

Unearned Revenues	
Description	Amount
Athletic event receipts	\$ 22,753,500
Sponsored research programs	8,466,480
Academic and other fees	22,959,613
Educational programs	259,652
Public service programs	12,320
Other	571,380
Total unearned revenues	\$ 55,022,945

Deposits consist of a current and noncurrent component. Pooled fringe benefits over-recoveries represent the largest current deposit balance and the entire noncurrent deposit balance. The University submits a pooled fringe benefit rate proposal to its cognizant agency, the U.S. Department of Health & Human Services (DHHS), two years in advance of actual charges

NOTES TO FINANCIAL STATEMENTS

DHHS has approved the University's pooled fringe benefit rates through the fiscal year ending June 30, 2022. Actual under-recovery or over-recovery of costs are reflected in future rate proposals and approvals. The \$4,129,185 balance in current deposits represents an over-recovery for the fiscal year ended June 30, 2020, and will be absorbed/adjusted through the pooled fringe rate established for the fiscal year ending June 30, 2022. The \$7,189,922 balance in noncurrent deposits represents over-recoveries for the fiscal year ended June 30, 2021, and will be absorbed/adjusted through the pooled fringe rate established for the fiscal year ending June 30, 2023. Other current deposits are comprised of football game guarantees, amounts due to the Atlantic Coast Conference, student campus card balances, and miscellaneous departmental amounts.

Deposits		
Description	Current Amount	Noncurrent Amount
Athletics	\$ 187,141	\$ —
Student Campus Card Balances	255,757	—
Miscellaneous Departmental	219,489	—
Pooled fringe benefits over-recoveries	4,129,185	7,189,922
Total deposits	\$ 4,791,572	\$ 7,189,922

Funds held for others consists of current and noncurrent components. Current funds held for others is comprised of agency funds held in trust for others. The federal Perkins loan liability balance represents the noncurrent funds held for others.

Funds Held for Others		
Description	Current Amount	Noncurrent Amount
Federal Perkins Loans	\$ —	\$ 4,181,495
Amounts held in trust	846,063	—
Total funds held for others	\$ 846,063	\$ 4,181,495

NOTE 6. BONDS PAYABLE

At June 30, 2021, bonds payable consisted of the following:

Bonds Payable					
Description	Original Debt	Interest Rate (outstanding)	Maturity Dates	June 30, 2021 Balance	Debt Retired in Fiscal Year 2021
General Obligation Bonds					
Bonds dated 4/01/07 (Series 2007B)	\$ 14,000,000	0.00%	06/01/2021	\$ —	\$ 1,240,000
Bonds dated 3/01/11 (Series 2011B)	62,370,000	0.00%	03/01/2031	—	5,000,000
Bonds dated 6/01/14 (Series 2014B)	33,030,000	3.00-5.00%	04/01/2034	24,415,000	1,375,000
Bonds dated 10/01/16 (Series 2016F)	52,395,000	2.00-5.00%	06/01/2036	44,395,000	2,150,000
Bonds dated 8/24/17 (Series 2017A)	120,885,000	2.25-5.00%	04/01/2037	114,855,000	500,000
Bonds dated 5/23/19 (Series 2019A)	5,635,000	3.00-5.00%	04/01/2039	5,245,000	185,000
Bonds dated 1/02/21 (Series 2021E)	6,385,000	3.00-5.00%	04/01/2040	6,385,000	—
				<u>195,295,000</u>	
Revenue Bonds					
Bonds dated 5/01/15 (Series 2015)	90,285,000	4.00-5.00%	05/01/2045	83,305,000	1,875,000
Bonds dated 12/01/15 (Series 2015B)	191,000,000	2.75-5.00%	05/01/2046	177,760,000	4,630,000
				<u>261,065,000</u>	
Athletic Facilities Revenue Bonds					
Bonds dated 2/01/12 (Series 2012)	12,335,000	2.00 - 2.125%	05/01/2023	1,995,000	950,000
Bonds dated 12/01/14 (Series 2014A)	30,695,000	3.00 - 5.00%	05/01/2045	30,695,000	—
Bonds dated 12/01/14 (Series 2014B)	9,240,000	2.60 - 3.25%	05/01/2027	4,165,000	930,000
Bonds dated 12/01/14 (Series 2014C)	10,545,000	2.00 - 5.00%	05/01/2025	6,310,000	880,000
Bonds dated 5/01/15 (Series 2015)	60,695,000	4.00 - 5.00%	05/01/2045	53,940,000	1,245,000
Bonds dated 12/01/15 (Series 2015B)	18,875,000	3.00 - 5.00%	05/01/2046	16,445,000	530,000
Bonds dated 1/01/18 (Series 2018A)	11,300,000	3.00 - 5.00%	05/01/2047	11,300,000	—
				<u>124,850,000</u>	
Subtotal bonds payable				581,210,000	21,490,000
Plus unamortized bond premium				43,300,027	2,649,736
Total Bonds Payable				\$ 624,510,027	\$ 24,139,736

NOTES TO FINANCIAL STATEMENTS

Bonds issued by the University include certain restrictive covenants. General Obligation Bonds of the State are backed by the full faith, credit and taxing power of the State. Tuition and matriculation fees paid to the University are pledged for the payment of principal and interest on these bonds. Auxiliary Revenue Bonds are payable solely from and secured by a pledge of revenues of the University's housing facilities, bookstores, dining services, parking and vending, and from additional funds from the academic "University" fee imposed by the Board of Trustees. Athletic Facilities Revenue Bonds are payable solely from the net revenues of the University's Athletic Department and the gross receipts from the imposition of any admissions fee and any special student fee.

Tuition fees for the fiscal year ended June 30, 2020 were \$48,231,363, which results in a legal annual debt service limit at June 30, 2021 of \$43,408,227. This amount is equal to 90% of tuition fees collected for the prior fiscal year.

The Series 2007B General Obligation Bonds maturing on and after June 1, 2018, are subject to redemption, in whole or in part, at any time in any order of maturity to be determined by the State, on and after June 1, 2017, at par plus accrued interest to the date fixed for redemption.

The Series 2011B General Obligation State Institution Bonds maturing on and after March 1, 2022, are subject to redemption, in whole or in part, at any time in any order of maturity to be determined by the State, on and after March 1, 2021 at par plus accrued interest to the date fixed for redemption.

The Series 2012 Athletic Facilities Refunding Revenue Bonds mature as serial bonds on May 1 of each of the years 2012 through 2023 and are not subject to redemption prior to maturity.

The Series 2014B General Obligation State Institution Bonds mature on April 1 in each of the years 2015 through 2034 and are not subject to redemption prior to maturity.

The Series 2014A Athletic Facilities Revenue Bonds mature on May 1 in each of the years 2015 through 2045 and are subject to redemption prior to maturity.

The Series 2014B Taxable Athletic Facilities Revenue Bonds mature on May 1 in each of the years 2015 through 2027 and are subject to redemption prior to maturity.

The Series 2014C Athletic Facilities Revenue Refunding Bonds mature on May 1 in each of the years 2015 through 2025 and are subject to redemption prior to maturity.

The Series 2015 Athletic Facilities Revenue Bonds mature on May 1 in each of the years 2016 through 2045 and are subject to redemption prior to maturity.

The Series 2015 Higher Education Revenue Bonds mature on May 1 in each of the years 2016 through 2045 and are subject to redemption prior to maturity.

The Series 2015B Athletic Facilities Revenue Bonds mature on May 1 in each of the years 2016 through 2046 and are subject to redemption prior to maturity.

The Series 2015B Higher Education Revenue Bonds mature on May 1 in each of the years 2016 through 2046 and are subject to redemption prior to maturity.

The Series 2016F General Obligation State Institution Bonds mature on June 1 in each of the years 2018 through 2036 and are subject to redemption prior to maturity.

The Series 2017A General Obligation State Institution Bonds mature on April 1 in each of the years 2018 through 2037 and are subject to redemption prior to maturity.

The Series 2018A Athletic Facilities Revenue Bonds mature on May 1 in each of the years 2022 through 2047 and are subject to redemption prior to maturity.

The Series 2019A General Obligation State Institution Bonds mature on April 1 in each of the years 2020 through 2039 and are subject to redemption prior to maturity.

During the fiscal year ended June 30, 2021, the State of South Carolina issued, on behalf of the University, General Obligation State Institution Bonds, Series 2021E, in the amount of \$6,385,000. The Series 2021E General Obligation State Institution Bonds were issued to (i) defray the costs of replacing and upgrading facilities at the wastewater treatment plant serving the University and (ii) to pay the costs of issuance of the bonds. The Series 2021E bonds maturing on or prior to April 1, 2040, are not subject to redemption prior to their maturity. The Series 2021E bonds maturing after April 1, 2040 are subject to redemption prior to maturity. The Series 2021E General Obligation Bonds are secured by a pledge of the full faith, credit, and taxing power of the State and are additionally secured by a pledge of the revenues derived from the tuition fees of the University. The \$1,703,864 bond premium associated with this issuance is being amortized over the twenty-year life of the bonds using the straight-line method.

NOTES TO FINANCIAL STATEMENTS

The Revenue and Athletic Facilities bonds are payable in semiannual installments plus interest. The General Obligation bonds are paid periodically throughout the fiscal year. Amounts including interest required to complete payment of the Revenue and Athletic Facilities Revenue bond obligations as of June 30, 2021, are as follows:

Revenue Bonds			
Description	Principal	Interest	Total
Years Ending June 30:			
2022	\$ 6,825,000	\$ 10,567,201	\$ 17,392,201
2023	7,170,000	10,225,951	17,395,951
2024	7,530,000	9,867,452	17,397,452
2025	7,900,000	9,490,952	17,390,952
2026	8,295,000	9,095,951	17,390,951
2027 through 2031	43,310,000	39,642,136	82,952,136
2032 through 2036	50,850,000	31,091,806	81,941,806
2037 through 2041	60,785,000	21,165,200	81,950,200
2042 through 2046	68,400,000	7,995,800	76,395,800
Total Revenue Bonds	\$ 261,065,000	\$ 149,142,449	\$ 410,207,449

Athletic Facilities Revenue Bonds			
Description	Principal	Interest	Total
Years Ending June 30:			
2022	\$ 4,850,000	\$ 4,879,984	\$ 9,729,984
2023	5,040,000	4,718,784	9,758,784
2024	5,350,000	4,517,271	9,867,271
2025	5,600,000	4,269,772	9,869,772
2026	3,420,000	4,025,470	7,445,470
2027 through 2031	19,540,000	17,678,232	37,218,232
2032 through 2036	23,670,000	13,551,319	37,221,319
2037 through 2041	28,355,000	8,868,968	37,223,968
2042 through 2046	28,375,000	3,027,275	31,402,275
2047	650,000	21,938	671,938
Total Athletic Facilities Revenue Bonds	\$ 124,850,000	\$ 65,559,013	\$ 190,409,013

Amounts including interest required to complete payment of the General Obligation Bonds as of June 30, 2021, are as follows:

General Obligation Bonds			
Description	Principal	Interest	Total
Years Ending June 30:			
2022	\$ 10,980,000	\$ 7,631,762	\$ 18,611,762
2023	11,530,000	7,082,762	18,612,762
2024	12,110,000	6,506,263	18,616,263
2025	12,715,000	5,900,762	18,615,762
2026	13,350,000	5,265,012	18,615,012
2027 through 2031	74,465,000	17,494,388	91,959,388
2032 through 2036	52,155,000	5,854,313	58,009,313
2037 through 2041	7,990,000	359,550	8,349,550
Total General Obligation Bonds	\$ 195,295,000	\$ 56,094,812	\$ 251,389,812

NOTES TO FINANCIAL STATEMENTS

The University reported net principal retirements and interest expenditures related to the bonds as follows for the year ended June 30, 2021:

Principal Retirements and Interest Expenses		
Bond Type	Net Principal	Interest
General obligation bonds	\$ 10,450,000	\$ 6,273,908
Revenue bonds	6,505,000	10,151,187
Athletic facilities revenue bonds	4,535,000	4,636,542
Total Net Principal Retirements and Interest	\$ 21,490,000	\$ 21,061,637

NOTE 7.

LEASE OBLIGATIONS

The University is obligated under various operating leases for the use of real property (land, buildings, office space) and equipment and also is obligated under capital leases and installment purchase agreements for the acquisition of real property. All capital and operating leases are with parties outside State government.

Future commitments for capital leases (which here and on the Statement of Net Position include other installment purchase agreements) and for non-cancellable operating leases having remaining terms in excess of one year as of June 30, 2021, were as follows:

Capital and Operating Lease Commitments		
Description	Capital Leases	Operating Leases
Years Ending June 30:		
2022	\$ 1,044,932	\$ 3,704,767
2023	839,573	3,180,248
2024	717,844	2,474,012
2025	628,770	1,867,199
2026	574,408	1,258,388
2027 through 2031	2,872,040	—
2032 through 2036	2,872,040	—
2037 through 2038	978,964	—
Total minimum lease payments	10,528,571	\$ 12,484,614
Less: Interest	120,826	
Principal outstanding - Clemson University	\$ 10,407,745	

Capital Leases

The capital leases are payable in monthly installments and will expire in 2038. Expenditures for fiscal year 2021 were \$1,064,806, of which \$981,411 was principal and \$83,395 was interest. The following is a summary of the carrying values of the assets held under capital leases at June 30, 2021:

Assets Held Under Capital Lease			
Description	Value at Lease Inception	Depreciation	Net
Buildings	\$ 14,300,000	\$ (4,599,834)	\$ 9,700,166
Equipment	1,998,730	(999,594)	999,136
Total assets held under capital lease	\$ 16,298,730	\$ (5,599,428)	\$ 10,699,302

NOTES TO FINANCIAL STATEMENTS

Certain capital leases provide for renewal and/or purchase options. Generally, purchase options at bargain prices of one dollar are exercisable at the expiration of the lease terms.

In October 2012, the University entered into a capital lease of \$14,300,000 at less than .1 percent interest whereby the University leases space in the Greenville One Building for a twenty-five year period which began in March 2013 and extends to March 2038. The Greenville One Building is located in downtown Greenville, SC and the space consists of four floors and space on the ground floor and exclusive use of an exterior green roof. The University entered into the lease with Clemson University Land Stewardship Foundation, Inc. (CULSF), a component unit. The outstanding liability as of June 30, 2021 is \$9,568,138.

Between 2018 and 2020 the University entered into multiple equipment leases with Presidio Technology Capital. The outstanding liability on these leases as of June 30, 2021 is \$839,607.

Operating Leases

The University's non-cancelable operating leases having remaining terms of more than one year expire in various fiscal years from 2021 through 2026. Certain operating leases provide for renewal options for periods from one to five years at the fair rental value at the time of renewal. All agreements are cancellable if the State of South Carolina does not provide adequate funding but that is considered a remote possibility. In the normal course of business, operating leases are generally renewed or replaced by other leases. Operating leases are generally payable on a monthly basis.

In January 2012, Clemson University originally entered into a real property operating lease with CULSF, a component unit, for space located in the building at 3 Research Drive, Greenville, SC, at the CU-ICAR Campus. This agreement to establish a component testing laboratory has been extended through April 2022. Under this lease, the University paid CULSF \$160,148. in the current fiscal year.

In September 2011, the University entered into an agreement with CULSF, a component unit, for space in the building located at 3 Research Drive, Greenville, SC, at the CU-ICAR Campus. This agreement expires August 2021. Under this lease, the University paid \$12,000 in the current fiscal year.

In June 2014, the University entered into a real property operating lease with CUF, a component unit, for space in the building located at 110 Daniel Drive, Clemson, SC. This lease extends through June 2022. Under this lease, the University paid CUF \$97,665 this fiscal year.

In June 2014, the University entered into a real property operating lease with CUF for space in the building located at 114 Daniel Drive, Clemson, SC. This lease extends through June 2022. Under this lease, the University paid CUF \$42,500 this fiscal year.

In October 2017, the University entered into a real property operating lease with CULSF for space in the building located at 1 Research Dr., Greenville, SC. This lease expired February 2021. Under this lease, the University paid CULSF \$184,818 this current fiscal year.

In June 2018, the University entered into a real property operating lease with CULF for property located in Sunset, SC. This lease extends through June 2025. Under this lease, the University paid CULSF \$118,434 this current fiscal year.

In June 2019, the University entered into a real property operating lease with CULSF for space in the building located at 3 Research Drive, Greenville, SC. This lease extends through December 2022. Under this lease CUF paid CULSF \$49,872 this current fiscal year.

In October 2019, the University entered into a real property operating lease with CULSF for space in the building located at 1 Research Drive, Greenville, SC. This lease was terminated September 2020. Under this lease, the University paid CULSF \$9,255 this current fiscal year.

In September 2020, the University entered into a real property lease with CULSF for space located at 1 Research Dr. Greenville, SC. This lease extends through August 2025. Under this lease, the University paid CULSF \$450,000. this fiscal year.

In March 2021, the University entered into a real property lease with CULSF for space located at 1 Research Dr. Greenville, SC. This lease extends through February 2024. Under this lease, the University paid CULSF \$96,337. this fiscal year.

In the current fiscal year, Clemson University incurred expenses of \$21,586 for office copier contingent rentals on a cost-per-copy basis.

NOTES TO FINANCIAL STATEMENTS

NOTE 8.

PENSION PLANS

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems (Systems) and serves as a co-trustee of the Systems in conducting that review. Effective July 1, 2017, the Retirement System Funding and Administration Act of 2017 assigned the PEBA Board of Directors as the Custodian of the Retirement Trust Funds and assigned SC PEBA and the Retirement Systems Investment Commission (RSIC) as co-trustees of the Retirement Trust Funds.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/ deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the South Carolina Retirement Systems' Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the annual comprehensive financial report of the State.

Plan Descriptions

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the S.C. General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement system's trust funds for financial statement purposes.

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrates.

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

SCRS – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012 is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012 is a Class Three member. **State ORP** – As an alternative to membership in the SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for the State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not considered part of the retirement systems for financial statement purposes. Employee and Employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

NOTES TO FINANCIAL STATEMENTS

PORS – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012 is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of benefit terms for each system is presented below.

SCRS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

PORS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

NOTES TO FINANCIAL STATEMENTS

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than eighty-five percent, then effective on the following July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

The Retirement System Funding and Administration Act increased employer contribution rates to 15.41 percent for SCRS and 17.84 percent for PORS, effective July 1, 2017. It also removed the 2.9 percent and 5 percent differential and increases and establishes a ceiling on employee contribution rates at 9 percent and 9.75 percent for SCRS and PORS, respectively. The employer contribution rates will continue to increase annually by 1 percent through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56 percent for SCRS and 21.24 percent for PORS. The amortization period is scheduled to be reduced one year for each of the next 10 years to a twenty-year amortization period.

Required *employee* contribution rates (1) are as follows:

	Fiscal Year 2021	Fiscal Year 2020
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
State ORP		
Employee	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required *employer* contribution rates (1) are as follows:

	Fiscal Year 2021	Fiscal Year 2020
SCRS		
Employer Class Two	15.41%	15.41%
Employer Class Three	15.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%
State ORP		
Employer Contribution (2)	15.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	17.84%	17.84%
Employer Class Three	17.84%	17.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%
(1) Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.		
(2) Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.		

For the year ended June 30, 2021, the University's SCRS contributions totaled \$27,716,536. The University's PORS contributions totaled \$981,430. Total contributions directly to the ORPs were approximately \$10,030,241 (excluding the surcharge) from Clemson University as employer and approximately \$18,054,434 from its employees as plan members. The remaining employer contribution amounts sent to SCRS (excluding the surcharge) were \$20,932,753.

NOTES TO FINANCIAL STATEMENTS

Net Pension Liability

At June 30, 2021, the University reported liabilities of \$752,728,463 and \$12,277,294 for its proportionate shares of the SCRS and PORS net pension liabilities, respectively. The net pension liabilities were measured as of June 30, 2020, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation as of July 1, 2019 projected forward to June 30, 2020. The University's proportionate shares of the net pension liabilities were based on a projection of the University's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The University's proportionate share of the SCRS plan increased by 0.043412% over the prior year. The University's proportionate share of the PORS plan increased by 0.036753% from the prior year. At June 30, 2021, the University's proportionate shares of the SCRS and PORS plans were 2.945896% and 0.370220%, respectively.

For the year ended June 30, 2021, the University recognized pension expense of \$99,357,323 and \$2,340,226 for SCRS and PORS, respectively.

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2020, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$51,844,187,763	\$26,292,418,682	\$25,551,769,081	50.7%
PORS	8,046,386,629	4,730,174,642	3,316,211,987	58.8%

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The net position liability is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Employer's proportionate shares were calculated on the basis of employer contributions remitted to the plan by employers and non-employer contributions appropriated in the State's budget. In an effort to offset a portion of the burden of the increased contribution requirement for employers, the General Assembly funded 1 percent of the SCRS and PORS contribution increases for fiscal year 2019. The State budget appropriated these funds directly to PEBA and a credit was issued for each employer to use when submitting their quarterly remittances to PEBA. For the year ended June 30, 2020 measurement period, PEBA provided non-employer contributions to the University in the amount of \$2,932,589 and \$37,431 for the SCRS and PORS plans, respectively, which is shown as a reduction to net pension liability and other grant revenue in the year ended June 30, 2021.

Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2021, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

South Carolina Retirement System		
Description	Deferred Outflows of Resources	Deferred Inflows of Resources
University contributions subsequent to the measurement date	\$ 48,649,289	\$ —
Differences between expected and actual experience	8,685,490	2,846,387
Assumption changes	922,213	—
Net difference between projected and actual earnings on pension plan investments	55,369,489	—
Differences due to changes in proportionate share of contributions	22,702,991	—
Total outflows and inflows of resources	\$ 136,329,472	\$ 2,846,387

NOTES TO FINANCIAL STATEMENTS

Police Officers Retirement System		
Description	Deferred Outflows of Resources	Deferred Inflows of Resources
University contributions subsequent to the measurement date	\$ 981,430	\$ —
Differences between expected and actual experience	260,918	54,042
Assumption changes	149,823	—
Net difference between projected and actual earnings on pension plan investments	1,257,167	—
Difference due to changes in proportionate share of contributions	1,339,116	29,486
Total outflows and inflows of resources	\$ 3,988,454	\$ 83,528

The \$48,649,289 and \$981,430 reported as deferred outflows of resources related to pensions resulting from University contributions paid subsequent to the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2021 will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2022. The contributions made after the measurement date of the net pension liability but before the end of employer's or governmental non-employer contributing entity's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized as follows for the SCRS and PORS plans, respectively:

Year ended June 30:	SCRS	PORS
2022	\$ 23,923,736	\$ 977,803
2023	25,001,725	883,321
2024	21,779,252	696,187
2025	14,129,093	366,185

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Actuarial assumptions and methods used during the annual valuation process are subject to periodic revision, typically with an experience study, as actual results over an extended period of time are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ended June 30, 2019 for first use in the July 1, 2021 actuarial valuation.

The June 30, 2019 total pension liability, net pension liability, and sensitivity information were determined by the Systems' consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the Systems' fiscal year ended June 30, 2020, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the total pension liability as of June 30, 2020.

Actuarial cost method	SCRS	PORS
Actuarial assumptions:		
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return (1)	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service) ⁽¹⁾	3.5% to 9.5% (varies by service) ⁽¹⁾
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually
(1) includes inflation at 2.25%		

NOTES TO FINANCIAL STATEMENTS

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016. Assumptions used in determination of the June 30, 2020 total pension liability are as follows:

Former Job Class	Males	Females
Educators	2016-PRSC-Males multiplied by 92%	2016-PRSC-Females multiplied by 98%
General Employees and Members of the General Assembly	2016-PRSC-Males multiplied by 100%	2016-PRSC-Females multiplied by 111%
Public Safety and Firefighters	2016-PRSC-Males multiplied by 125%	2016-PRSC-Females multiplied by 111%

Long Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the revised target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return set in statute and used in the calculation of the total pension liability includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Global Equity	51.0%		
Global Public Equity	35.0%	7.81%	2.73%
Private Equity	9.0%	8.91%	0.80%
Equity Options Strategies	7.0%	5.09%	0.36%
Real Assets	12.0%		
Real Estate (Private)	8.0%	5.55%	0.44%
Real Estate (REITs)	1.0%	7.78%	0.08%
Infrastructure (Private)	2.0%	4.88%	0.10%
Infrastructures (Public)	1.0%	7.05%	0.07%
Opportunistic	8.0%		
Global Tactical Asset Allocation	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
Credit	15.0%		
High Yield Bonds/Bank Loans	4.0%	4.21%	0.17%
Emerging Markets Debt	4.0%	3.44%	0.14%
Private Debt	7.0%	5.79%	0.40%
Rate Sensitive	14.0%		
Core Fixed Income	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Total Expected Real Return	100.0%		5.80%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			8.05%

NOTES TO FINANCIAL STATEMENTS

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following table presents the University's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
SCRS	\$932,914,631	\$752,728,463	\$602,270,842
PORS	16,253,071	12,277,294	9,085,001

Additional Financial and Actuarial Information

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems' audited financial statements for the fiscal year ended June 30, 2020 (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2020.

NOTE 9.

POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278 effective July 1, 2012. PEBA is a state agency responsible for the administration and management of the state's employee insurance programs, other post-employment benefits trusts and retirement systems and is part of the State of South Carolina primary government.

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA board must possess certain qualifications. Members of the PEBA board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July first of even numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFFA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits (OPEB).

Plan Descriptions

The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective on May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA, Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

The OPEB Trusts are cost-sharing multiple-employer defined benefit plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

NOTES TO FINANCIAL STATEMENTS

Benefits

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15-24 years of service for 50% employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment and long-term disability benefits to be funded through annual appropriations by the General Assembly for active employees to the PEBA, Insurance Benefits and participating retirees to PEBA, except for the portion funded through the pension surcharge and provided from the other applicable sources of the PEBA, Insurance Benefits. For active employees who are not funded by State General Fund appropriations, participating employers are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office. The covered payroll surcharge for the year ended June 30, 2020 was 6.25 percent. The South Carolina Retirement System collects the monthly surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF include mandatory transfers of accumulated PEBA, Insurance Benefits' reserves and income generated from investments. Employer contributions also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs.

Basic long-term disability benefits are funded through a person's premium charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2020. The SCLTDITF premium is billed monthly by PEBA, Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

PEBA, Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA, Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, OPEB Trust fund financial information is also included in the annual comprehensive financial report of the State.

For the year ended June 30, 2021, the University's SCRHITF contributions totaled \$25,279,003. The University's SCLTDITF contributions totaled \$176,082. The University's proportionate share of the implicit subsidy recognized for the year ended June 30, 2021 was \$432,534.

NOTES TO FINANCIAL STATEMENTS

Net OPEB (Retiree Health Benefit) Liability

At June 30, 2021 the University reported liabilities of \$776,730,275 and \$7,570 for its proportionate shares of the SCRHITF and SCLTDITF net OPEB liabilities, respectively. At June 30, 2021, the University's proportionate shares of the SCRHITF and SCLTDITF plans were 4.302870% and 2.496725% respectively. For the year ended June 30, 2021, the University recognized OPEB expense of \$63,077,221 and \$203,304 for the SCRHITF and SCLTDITF plans, respectively.

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period. This method is expected to be reflective of the employer's long-term contribution effort as well as be transparent to individual employers and their external auditors.

The following table represents the components of the net OPEB liability as of June 30, 2021:

OPEB Trust	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
SCRHITF	\$ 19,703,745,672	\$ 1,652,299,185	\$ 18,051,446,487	8.39%
SCLTDITF	42,782,316	42,479,106	303,210	99.29%

The TOL is calculated by the Trusts' actuary, and each Trust's fiduciary net position is reported in the Trust's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information. Liability calculations performed by the Trusts' actuary for the purpose of satisfying the requirements of GASB Nos. 74 and 75 and are not applicable for other purposes, such as determining the Trusts' funding requirements.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the University reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources.

South Carolina Retiree Health Insurance Trust Fund (SCRHITF)				
DESCRIPTION	Deferred Outflows of Resources		Deferred Inflows of Resources	
University contributions subsequent to the measurement date	\$	24,846,499	\$	—
Net differences between projected and actual earnings on OPEB plan investments		—		1,811,691
Differences between expected and actual experience		22,215,195		17,688,931
Assumption changes		115,587,159		30,933,370
Change in proportion and differences between University contributions and proportionate share of plan contributions		20,333,650		4,139
Total outflows and inflows of resources	\$	182,982,503	\$	50,438,131

South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF)				
DESCRIPTION	Deferred Outflows of Resources		Deferred Inflows of Resources	
University contributions subsequent to the measurement date	\$	176,082	\$	—
Net differences between projected and actual earnings on OPEB plan investments		—		63,098
Differences between expected and actual experience		—		31,427
Assumption changes		31,724		3,779
Change in proportion and differences between University contributions and proportionate share of plan contributions		285		6,204
Total outflows and inflows of resources	\$	208,091	\$	104,508

NOTES TO FINANCIAL STATEMENTS

The net amount of deferred outflows of resources and deferred inflows of resources related to retiree health benefits will be amortized as follows for the SCRHITF and SCLTDITF plans, respectively:

Years ended June 30:	SCRHITF	SCLTDITF
2022	\$ 15,095,637	\$ (11,586)
2023	14,845,276	(17,038)
2024	14,448,550	(24,049)
2025	21,332,673	(16,394)
2026 and thereafter	41,975,737	(3,432)

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation for SCRHITF:

Actuarial Assumptions	SCRHITF
Valuation date:	June 30, 2019
Actuarial cost method:	Entry age normal
Inflation:	2.25%
Investment rate of return:	2.75% net of OPEB Plan investment expense, including inflation
Single discount rate:	2.45% as of June 30, 2020
Demographic assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Healthcare trend rate:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years
Retiree participation:	79% for retirees who are eligible for funded premiums 59% participation for retirees who are eligible for Partial Funded Premiums 20% participation for retirees who are eligible for Non-Funded Premiums
Notes:	The discount rate changes from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020; updates were also made to the healthcare trend assumptions, including an adjustment to reflect the repeal of the "Cadillac Tax".

NOTES TO FINANCIAL STATEMENTS

Additional information as of the latest actuarial valuation for SCLTDITF:

Actuarial Assumptions	SCLTDITF
Valuation date:	June 30, 2019
Actuarial cost method:	Entry age normal
Inflation:	2.25%
Investment rate of return:	3.00, net of Plan investment expense, including inflation
Single discount rate:	2.83% as of June 30, 2020
Salary, Termination, and Retirement Rates:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Disability Incidence:	The disability rates used in the valuation are based on the rates developed for the South Carolina Retirement Systems pension plans
Disability Recovery:	For participants in payments, 1987 CGDT Group Disability, for active employees, 60% were assumed to recover after the first year and 92% were assumed to recover after the first two years
Offsets:	40% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group
Expenses:	Third party administrative expenses were included in the benefit projections
Notes:	The discount rate changed from 3.04% as of June 30, 2019 to 2.83% as of June 30, 2020.

The actuarial valuation was performed as of June 30, 2019. Update procedures were used to roll forward the total OPEB liability to June 30, 2020.

Long Term Expected Rate of Return

The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following tables:

South Carolina Retiree Health Insurance Trust Fund			
Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return	Allocation Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash	20.00%	0.35%	0.07%
Total	100.00%		0.55%
Expected Inflation			2.25%
Total Return			2.80%
Investment Return Assumption			2.75%

South Carolina Long-Term Disability Insurance Trust Fund			
Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return	Allocation Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash	20.00%	0.35%	0.07%
Total	100.00%		0.83%
Expected Inflation			2.25%
Total Return			3.08%
Investment Return Assumption			3.00%

NOTES TO FINANCIAL STATEMENTS

Discount Rate

The Single Discount Rate of 2.45% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 2.83% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 2.45%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2041. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2041, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity Analysis

The following table presents the University's proportionate share of the SCRHITF net other postemployment benefits (OPEB) liability calculated using the discount rate of 2.45 percent, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.45 percent) or 1 percentage point higher (3.45 percent) than the current rate:

Sensitivity of the SCRHITF Net OPEB Liability to Changes in the Discount Rate		
1.00% Decrease (1.45%)	Current Discount Rate (2.45%)	1.00% Increase (3.45%)
\$926,795,131	\$776,730,275	\$656,817,233

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the University's proportionate share of the SCRHITF's net OPEB liability, calculated using the assumed trend rates as well as what the University's proportionate share of the SCRHITF's net OPEB liability would be if were calculated using a trend rate that is one percent lower or one percent higher.

1.00% Decrease	Current Healthcare Cost Trend Rate	1.00% Increase
\$628,688,604	\$776,730,275	\$971,151,598

The following table presents the University's proportionate share of the SCLTDITF net OPEB liability calculated using the discount rate of 2.83 percent, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.83 percent) or 1 percentage point higher (3.83 percent) than the current rate:

Sensitivity of the SCLTDITF Net OPEB Liability to Changes in the Discount Rate		
1.00% Decrease (1.83%)	Current Discount Rate (2.83%)	1.00% Increase (3.83%)
\$44,607	\$7,570	\$(29,209)

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of Employer Allocation of the Net OPEB Liability, Contributions from Non-employer Contributing Entities, and Implicit Subsidy and the Schedules of Employer Allocation of the OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB (the Schedules) were compiled from the OPEB Trust Funds audited financial statements for the fiscal year ended June 30, 2020, and the accounting and financial reporting actuarial valuation as of June 30, 2020. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the OPEB Trust Funds audited financial statements. Employers are encouraged to review Illustration II in Appendix C of GASB Statement No. 75, which provides a sample footnote disclosure and required supplementary information for a cost-sharing multiple-employer defined benefit plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 10.

DEFERRED COMPENSATION PLANS

Several optional deferred compensation plans are available to State employees and employers of its political subdivisions. All Clemson University employees may participate in the deferred compensation plans, except those in student employment positions. Certain employees of the University have elected to participate. The multiple-employer plans, created under Internal Revenue Code Sections 457, 401(k), and 403(b), are administered by third parties and are not included in the Annual Comprehensive Financial Report of the State of South Carolina. Compensation deferred under the Section 401(k), 457 and 403(b) plans is placed in trust for the contributing employee. The State has no liability for losses under the plans. Employees may withdraw the current value of their contributions when they terminate State employment if permitted by the plan. Eligibility rules and penalties may apply. Employees may also withdraw contributions prior to termination if they meet requirements specified by the applicable plan. In accordance with IRS regulations effective January 1, 2009, Clemson University adopted a 403b plan document. Under the plan, loans and financial hardship distributions are permitted. Fifteen years of service catch-up contributions are not permitted.

NOTE 11.

LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2021 was as follows:

Long-Term Liabilities					
Description	July 1, 2020	Additions	Reductions	June 30, 2021	Due Within One Year
Bonds payable and capital lease obligations:					
General obligation bonds	\$ 199,360,000	\$ 6,385,000	\$ 10,450,000	\$ 195,295,000	\$ 10,980,000
Revenue bonds	267,570,000	—	6,505,000	261,065,000	6,825,000
Athletic facilities revenue bonds	129,385,000	—	4,535,000	124,850,000	4,850,000
Subtotal bonds payable	596,315,000	6,385,000	21,490,000	581,210,000	22,655,000
Unamortized revenue bond premium	44,245,899	1,703,864	2,649,736	43,300,027	2,450,040
Total bonds payable	640,560,899	8,088,864	24,139,736	624,510,027	25,105,040
Capital leases payable	11,142,469	246,687	981,411	10,407,745	988,096
Total bonds and capital leases payable	651,703,368	8,335,551	25,121,147	634,917,772	26,093,136
Other liabilities:					
Accrued compensated absences	31,443,000	17,687,487	13,063,487	36,067,000	17,177,593
Funds held for others	5,184,375	—	1,002,880	4,181,495	—
Net pension liability	672,314,429	190,149,103	97,457,776	765,005,756	—
Net postemployment benefit liability	646,324,692	160,901,520	30,488,367	776,737,845	—
Total other liabilities	1,355,266,496	368,738,110	142,012,510	1,581,992,096	17,177,593
Total long-term liabilities	\$2,006,969,864	\$ 377,073,661	\$ 167,133,657	\$2,216,909,868	\$ 43,270,729

Additional information regarding Bonds Payable is included in Note 6. Additional information regarding Capital Lease Obligations is included in Note 7. The balance in the long-term liability account "Funds held for others" represents the Federal liability for the Perkins Loan program and longevity incentives for athletic coaches.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. CONSTRUCTION COSTS AND COMMITMENTS

Capitalized

The University has obtained or has plans to obtain the necessary funding for the acquisition, construction, renovation, and equipping of certain facilities which will be capitalized in the applicable capital asset categories upon completion. Management estimates that the University has sufficient resources available and/or future resources identified to satisfactorily complete the construction of such projects which are expected to be completed in varying phases over the next 2 or 3 years at an estimated cost of \$330,019,776. The \$330,019,776 includes estimated costs of \$201,457,176 for capital projects currently in progress plus \$128,562,600 estimated costs for other capital projects already in service. Of the total estimated cost, \$106,051,097 was unexpended at June 30, 2021. Of the total expended through June 30, 2021, the University has capitalized substantially complete and in use projects in the amount of \$111,863,412. Of the unexpended balance the University has remaining commitment balances of \$51,401,362 with certain property owners, engineering firms, construction contractors, and vendors related to these projects. Retainages payable on these capitalized projects as of June 30, 2021, was \$1,374,483. Capital projects at June 30, 2021, which constitute construction in progress that are to be capitalized when completed, are listed below.

Construction Costs and Commitments		
Project	Approximate Cost	Amount Expended
Electrical Distribution Upgrade	\$ 78,276,673	\$ 76,384,596
Electrical Infrastructure Maintenance & Improvements	1,118,674	1,118,674
Child Care Facility Construction	5,000,000	4,680,449
Manufacturing Innovation Building	4,000,000	3,182,408
Chapel Construction	5,080,000	4,327,495
Chapel Fire Access Jersey Lane	400,000	54,552
Daniel Renovation & Expansion	59,730,000	4,369,671
Roadway Pedestrian Safety Improvements	21,000,000	291,593
Douthit Hills R10 Parking Lot	916,400	110,454
Douthit Hills Parking Lot E27	524,300	118,614
Hardscrabble Rd New Bathroom Facility	500,000	140,752
Memorial Stadium Renovations	1,133,000	972,527
Core Campus Safety and Revitalization	420,000	370,283
Garrison Arena Construction	7,800,000	5,644,976
WWTP Improvements	8,000,000	315,001
Snow Complex Davidson Field	990,000	—
Williamson/Heisman Intersection	215,000	103,423
CU-ICAR GEC Propulsion Lab Upfit	5,693,885	210,284
Pee Dee REC Dargan's Pond Dam	1,800,000	—
Raw Water Cooling Water Intake	425,000	35,800
Total construction costs and commitments	\$ 203,022,932	\$ 102,431,552

The amount expended includes only capitalized project expenses and capitalized interest on construction debt for projects less than substantially complete and not in service at June 30, 2021. No noncapitalized expenditures are included in these totals.

Non-Capitalized

At June 30, 2021 the University had in progress other capital projects which will not be capitalized when complete. These projects are for replacements, repairs, and/or renovations to existing facilities. Estimated costs on these non-capitalized projects total \$73,403,267. This amount includes costs incurred to date of \$41,992,068. and estimated costs to complete of \$31,411,199. The University has remaining commitment balances with certain parties related to these projects of \$6,346,420. Retainages payable on the non-capitalized projects as of June 30, 2021, was \$69,994. The University anticipates funding these projects out of current resources, current and future bond issues, state capital improvement bond proceeds, private gifts and student fees.

NOTES TO FINANCIAL STATEMENTS

NOTE 13.

RELATED PARTIES

Certain separately chartered legal entities whose activities are related to those of the University exist primarily to provide financial assistance and other support to the University and its educational program.

The activities of these entities are not included in the University's financial statements. However, the University's statements include transactions between the University and its related parties.

In accordance with Governmental Accounting Standards Board (GASB) Codification Sections 2100, Defining the Financial Reporting Entity, and Section 2600, Reporting Entity and Component Unit Presentation and Disclosure, management annually reviews its relationships with the related parties described in this note. The University excluded these related parties from the reporting entity because it is not financially accountable for them.

Following is a more detailed discussion of each of these entities and a summary of significant transactions (if any) between these entities and Clemson University.

Clemson University Research Foundation

The Clemson University Research Foundation (CURF) is separate 501(c)(3) corporation founded exclusively for charitable, educational and scientific purposes. CURF supports the generation and commercialization of intellectual property created from research conducted at Clemson University through sponsored research business development outreach, technology transfer, marketing, and licensing activities. Collectively, these activities are integrated to achieve the overall mission of CURF, which is "To generate research funding opportunities for Clemson University to support research initiatives that advance University discoveries to create new products and services for public use and benefit". CURF's operations and activities are governed by a Board of Directors.

The University performs research and development under performance agreements for CURF and receives payment for all direct and indirect costs which are incurred in accordance with the terms of the performance agreements. The University recorded no revenue from CURF this fiscal year, as all federal awards have been closed out. There were no outstanding receivables from CURF at June 30, 2021.

The University remitted \$290,654 to CURF, per the operating agreement between the two entities. CURF reimbursed the University \$27,520 for salaries for time devoted by University employees to CURF and \$257,017 for other service-related expenses.

Clemson Alumni Association

The Clemson Alumni Association is a separately chartered corporation established to serve Clemson University alumni and promote the welfare and future development of the University in its educational, scientific, and programmatic purposes.

The Alumni Association contributed \$1,139,368 to the University, recognized as nonoperating gifts, to fund administration, engagement, marketing, and events related to the Alumni Association. The Alumni Association also reimbursed the University \$16,381 for salaries for time devoted by University employees. The University administers contracts for licensing of class rings and sports apparel. The University remitted \$427,523 to the Alumni Association, primarily consisting of licensing royalties, for the fiscal year ended June 30, 2021.

Clemson University Continuing Education and Conference Complex Corporation

The Clemson University Continuing Education and Conference Complex Corporation (Finance Corporation), is a separately chartered corporation established in September 1993, to construct, operate and manage the golf course and hotel components of the Clemson University Continuing Education and Conference Complex. The Finance Corporation's actions are governed by its Board of Directors. The University billed the Finance Corporation \$16,949 for salaries for time devoted by University employees to the Finance Corporation.

Clemson Architectural Foundation

The Clemson Architectural Foundation (CAF) is a separately chartered nonprofit corporation established to provide supplemental financial support and other assistance to the architecture, construction science and management, planning and landscape architecture and visual arts programs in the College of Arts and Humanities. CAF's actions are governed by its Board of Trustees.

The University's financial statements reflect \$317,837 in expenses primarily to reimburse CAF for administrative, educational, and facilities expenses incurred at the Charles E. Daniel Center for Building Research and Urban Studies in Genoa, Italy, which is owned by CAF.

Clemson University Real Estate Foundation

The Clemson University Real Estate Foundation, Inc., is a separately chartered entity organized to serve as the efficient conduit through which gifts of real estate and property are received and liquidated. The Real Estate Foundation's actions are governed by its Board of Directors. This entity had no transactions with the University and did not significantly require the time or service of any University employees.

NOTES TO FINANCIAL STATEMENTS

NOTE 14.

TRANSACTIONS WITH STATE ENTITIES

The University is granted an annual appropriation for operating purposes as authorized by the General Assembly of the State of South Carolina. State appropriations are recognized as revenue when received and available. Amounts that are not expended by fiscal year-end lapse and are required to be returned to the General Fund of the State unless the University receives authorization from the General Assembly to carry the funds over to the next year.

The original appropriation is the University's base budget amount presented in the General Funds column of Sections 14 and 45 of Part IA of the 2020-21 Appropriation Act. The following is a reconciliation of the original appropriation as enacted by the General Assembly to state appropriations revenue reported in the financial statements for the fiscal year ended June 30, 2021:

State Appropriations			
Description	Educational and General	Public Service	Total
Original appropriation	\$ 95,282,172	\$ 46,722,293	\$ 142,004,465
Appropriation allocations from the State Commission on Higher Education:			
For Academic Endowment Match	25,000	—	25,000
For Clemson Agriculture Education Teachers - teacher recruitment	—	1,144,356	1,144,356
Total state appropriations	\$ 95,307,172	\$ 47,866,649	\$ 143,173,821

The University received substantial funding from the Commission on Higher Education ("CHE") for scholarships on behalf of students that are accounted for as operating state grants and contracts. Additional amounts received from CHE are accounted for as both operating and nonoperating revenues, depending upon the requirement of deliverables with a current or potential future economic value. The University also receives State funds from various other State agencies for sponsored research and public service projects. Following is a summary of amounts received from State agencies for scholarships, sponsored research, capital and public service projects for the fiscal year ended June 30, 2021:

Other Amounts Recognized from State Agencies				
Description	Operating Revenues	Nonoperating Revenues	Capital and Endowment Proceeds	Total
Received from the Commission on Higher Education (CHE):				
LIFE Scholarships	\$ 32,097,601	\$ —	\$ —	\$ 32,097,601
Palmetto Scholarships	33,996,915	—	—	33,996,915
Need-Based Grants	3,162,145	—	—	3,162,145
HOPE Scholarships	37,800	—	—	37,800
Received from the Department of Education - STEM	1,750,000	—	—	1,750,000
Received from the Department of Education - Other	628,911	—	—	628,911
Received from various other state agencies	6,667,354	—	—	6,667,354
Received from agencies outside South Carolina	654,438	—	—	654,438
Received from PEBA (nonemployer contributions for retiree health care and LTD plans)	5,738,339	—	—	5,738,339
Received from PEBA (nonemployer contributions for pension plans)	2,970,020	—	—	2,970,020
Total other amounts recognized from state agencies	\$ 87,703,523	\$ —	\$ —	\$ 87,703,523

The University provided no significant services free of charge to any State agency during the fiscal year; however, the University did provide computer services and information systems development for a fee to other State agencies during the fiscal year. Total fees received were \$33,102,916 comprised of \$517,375 in fees for computer services classified as other operating revenues, and \$32,585,541 in information and systems development fees classified as sales and services of auxiliary enterprises.

Also, the University collected and remitted \$9,997 in pesticide penalties and other fees to the State General Fund.

Services received at no cost from State agencies include maintenance of certain accounting records by the Comptroller General; banking, bond trustee and investment services from the State Treasurer; legal services from the Attorney General; and grants services from the Governor's Office.

NOTES TO FINANCIAL STATEMENTS

Other services received at no cost from the various offices of the State Budget and Control Board include pension plan administration, insurance plans administration, audit services, personnel management, assistance in the preparation of the State Budget, review and approval of certain budget amendments, procurement services, and other centralized functions.

The University had financial transactions with various State agencies during the fiscal year. Significant payments were made to divisions of the State Budget and Control Board for pension and insurance plans employee and employer contributions, insurance coverage, office supplies, and interagency mail. Significant payments were also made for unemployment and workers compensation coverage for employees to the Employment Security Commission and State Accident Fund. The amounts of 2021 expenditures applicable to related transactions with state entities are not readily available.

NOTE 15. RISK MANAGEMENT

The University is exposed to various risks of loss and maintains State or commercial insurance coverage for each of those risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. There were no significant reductions in insurance coverage from coverage in the prior year. The costs of settled claims have not exceeded this coverage in any of the past three years. The University pays insurance premiums to certain other State agencies and commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accord with insurance policy and benefit program limits.

State management believes it is more economical to manage certain risks internally and set aside assets for claim settlement. Several State funds accumulate assets and the State itself assumes substantially all risks for the following:

- (1) Claims of State employees for unemployment compensation benefits (Employment Security Commission);
- (2) Claims of covered employees for workers' compensation benefits for job-related illnesses or injuries (State Accident Fund);
- (3) Claims of covered public employees for health and dental insurance benefits (Office of Insurance Services); and
- (4) Claims of covered public employees for long-term disability and group-life insurance benefits (Office of Insurance Services).

Employees elect health coverage through either a health maintenance organization or through the State's self-insured plan. All of the other coverages listed above are through the applicable State self-insured plan except dependent and optional life premiums are remitted to commercial carriers.

The University and other entities pay premiums to the State's Insurance Reserve Fund (IRF) which issues policies, accumulates assets to cover the risks of loss, and pays claims incurred for covered losses related to the following University assets, activities, and/or events:

- (1) Theft of, damage to, or destruction of assets;
- (2) Real property, its contents, and other equipment;

- (3) Motor vehicles, aircraft, and watercraft (inland marine);
- (4) Torts;
- (5) Business interruptions;
- (6) Natural disasters; and
- (7) Medical malpractice claims against covered infirmaries and employees.

The IRF is a self-insurer and purchases reinsurance to obtain certain services and specialized coverage and to limit losses in the areas of property, boiler and machinery, automobile liability, and medical professional liability insurance. Also, the IRF purchases reinsurance for catastrophic property and medical professional liability insurance. Reinsurance permits partial recovery of losses from reinsurers, but the IRF remains primarily liable. The IRF purchases insurance for aircraft and ocean marine coverage. The IRF's rates are determined actuarially.

State agencies and other entities are the primary participants in the State's Health and Disability Insurance Fund and in the IRF.

The University obtains coverage through commercial insurers for employee fidelity bond insurance. All employees are covered for \$1,000,000 for Commercial Crime. This coverage includes the following:

- (1) Blanket employee dishonesty;
- (2) Forgery/alterations;
- (3) Theft, disappearance of money and security;
- (4) Computer fraud; and
- (5) Faithful Performance of duty

In addition, the CU Executive Vice President and Chief Financial Officer are covered for \$250,000 under a specific public official bond. CU Manager Cash & Treasury Services, CU Director of Accounting for Related Organizations, President and CEO for Clemson University Foundation, Chief Financial Officer and Treasurer for Clemson University Foundation, Senior Financial Analyst and Project Manager for Clemson University Foundation, CU Director of Student Financial Services, Business Officer for Finance and Administration for CU Foundation and CU Executive Vice President & Chief Financial Officer are each covered under a \$2,000,000 bond.

The University has recorded insurance premium expenses and expenses for deductibles in applicable functional expense categories.

NOTES TO FINANCIAL STATEMENTS

The University has not transferred the portion of the risk of loss related to insurance policy deductibles, and policy limits for all coverage to a State or commercial insurer.

The University has not reported an estimated claims loss expenditure or a related liability at June 30, 2021, based on the requirements of GASB Statement's No. 10 and No. 30, which state that a liability for claims must be reported only if information prior to issuance of the financial statements indicates that it is probable that an asset has been impaired or a liability has been incurred on or before June 30, 2021, and the amount of the loss is reasonably estimable.

In management's opinion, claims losses in excess of insurance coverage are unlikely and, if incurred, would be insignificant to the University's financial position. Furthermore, there is no evidence of asset impairment or other information to indicate that a loss expenditure and liability should be recorded at year-end. Therefore no loss accrual has been recorded.

Enterprise Risk Management Statement

Clemson University defines Enterprise Risk Management (ERM) as a process-driven tool that enables visualization, assessment, and management of significant risks that may adversely impact the attainment of key organizational objectives and to maximize opportunities for enhancement in all Clemson University activities.

It is the responsibility of the President to lead and cultivate a culture of awareness to identify, assess, and manage risks using the ERM process. It is the responsibility of the Board members, institutional leaders, faculty, staff and students to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within their relevant scope of responsibility and authority.

Risk, when appropriately identified and managed, is a part of regular business activities. However, in certain cases there are types of risks which may not be acceptable, such as:

- (1) Willful exposure of students, employees, or others to hazardous environments or activities;
- (2) Intentional violation of laws;
- (3) Waste, fraud, and abuse; or,
- (4) Unethical behavior

Clemson's approach to risk management is to minimize the effects of compliance, financial, operational, reputational, and strategic risks, while accepting a reasonable degree of managed risk in pursuit of its mission and objectives. Clemson recognizes that risk varies according to the activity undertaken, and that acceptance of risk is always subject to ensuring potential benefits and risks are fully understood, and that prudent measures to mitigate risk are established.

NOTE 16.

CONTINGENCIES AND LITIGATION

The University is involved in a number of legal proceedings and claims with various parties which arose in the normal course of business and cover a wide range of matters. Because, in the opinion of management and counsel, the risk of material loss in excess of insurance coverage for these items is remote, the outcome of the legal proceedings and claims is not expected to have a material effect on the financial position of the University. Therefore, an estimated liability has not been recorded.

The various federal programs administered by the University for fiscal year 2021 and prior years are subject to examination by the federal grantor agencies. At the present time, amounts, if any, which may be due federal grantors have not been determined but the University believes that any such amounts in the aggregate would not have a material adverse effect on the financial position of the University. Therefore, an estimated loss has not been recorded.

NOTES TO FINANCIAL STATEMENTS

NOTE 17.

OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2021 are summarized as follows:

Operating Expenses by Function							
Description	Salaries and Wages	Fringe Benefits	Services and Supplies	Utilities	Scholarships and Fellowships	Depreciation	Total
Instruction	\$ 186,685,444	\$ 56,062,700	\$ 25,520,443	\$ 720,386	\$ 279,860	\$ —	\$ 269,268,833
Research	102,327,437	32,328,235	52,433,405	1,347,414	2,327,040	—	190,763,531
Public Service	37,437,046	16,682,193	17,050,214	954,647	—	—	72,124,100
Academic Support	28,882,589	21,794,930	19,641,196	849,022	41,500	—	71,209,237
Student Services	22,062,482	9,312,793	27,243,243	72,082	—	—	58,690,600
Institutional Support	30,459,735	17,677,730	12,595,414	117,358	—	—	60,850,237
Operation and Maintenance of Plant	15,916,956	8,783,111	32,740,043	7,833,410	—	—	65,273,520
Scholarships and Fellowships	323,879	14,840	238,381	—	39,446,566	—	40,023,666
Auxiliary Enterprises	51,154,333	17,053,706	88,411,658	7,322,532	17,048	—	163,959,277
Depreciation	—	—	—	—	—	68,023,675	68,023,675
Pension and OPEB	—	88,897,291	—	—	—	—	88,897,291
Total Operating Expenses by Function	\$475,249,901	\$268,607,529	\$275,873,997	\$19,216,851	\$42,112,014	\$68,023,675	\$1,149,083,967

NOTE 18.

DONOR-RESTRICTED ENDOWMENTS

If a donor has not provided specific instructions, state law permits the Board of Trustees to authorize for expense the net appreciation (realized and unrealized) of the investments of endowment funds. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established.

Clemson University delegated responsibility for endowment management, including spending policy to the Clemson University Foundation Board of Trustees. In accordance with the spending policy which is established by the Clemson University Foundation Board, endowment-derived program expenses are based on a percentage of an endowment's rolling 12 quarter average. For fiscal year 2021, this rate was 4.0%. At June 30, 2021, net appreciation gains of \$59,867,512 were recorded and reported in the Statement of Net Position as unrestricted.

NOTES TO FINANCIAL STATEMENTS

NOTE 19.

DETAILS OF RESTRICTED ASSETS

The purposes and amounts of Restricted Assets are as follows:

Details of Restricted Assets	
Description	Amount
Current:	
Cash and cash equivalents:	
As specified by sponsors/donors	\$ 24,184,180
University administered loans	390,194
Payment of maturing debt	15,450,827
Unspent bond proceeds	15,339,490
Amounts restricted for capital projects	171,947,919
Funds held for others	459,428
Total current restricted assets	<u>\$ 227,772,038</u>
Noncurrent:	
Cash and cash equivalents:	
Endowments	\$ 121,226
Federal Perkins Loan Program	2,091,137
Total noncurrent restricted cash and cash equivalents	<u>\$ 2,212,363</u>
Student Loans Receivable:	
Total Federal Perkins Loan Program	<u>\$ 3,938,916</u>

NOTE 20.

COMPONENT UNITS

Clemson University Foundation

The Clemson University Foundation (CUF) is a separately chartered corporation organized exclusively to promote the development and welfare of Clemson University in its educational and scientific purposes.

As discussed in Note 1, CUF has been included in the reporting entity as a component unit. Because CUF is deemed not to be a governmental entity and uses a different reporting model, its balances and transactions are reported on separate financial statements.

CUF transfers funds earmarked from private contributions to the University to support University scholarship, fellowship, professorship, and research programs and to reimburse the University for purchases made by CUF through the University's procurement system. These transfers for fiscal year 2021 were recorded by the University as nonoperating gift revenues totaling \$25,525,370.

CUF has two operating leases with the University and paid a total of \$140,165 for office space during fiscal year 2021.

Equipment donated by CUF to the University totaled \$169,200 and was recorded as capital grants and gifts in the Statement of Revenues, Expenses and Changes in Net Position. Also recorded as capital grants and gifts upon receipt were CUF donations totaling \$1,178,668 for University building projects. As of June 30, 2021, unexpended funds held by CUF designated for University building projects totaled \$3,661,037.

As referenced in Note 3, a 1999 amendment to the South Carolina Code of Laws allowed state-supported universities to lend endowment balances on deposit with the State Treasurer to entities (like CUF) whose existence is primarily providing financial assistance and other support to the institution and its educational program. At fiscal year end, the amount loaned, including income and appreciation, totaled \$251,458,368. Current year income, gains, and appreciation on the loan totaled \$54,521,016.

CUF charges an annual fee for managing the University's owned endowments. For the fiscal year ending June 30, 2021, this fee was 1.25% of the 12 quarter market value average of these University owned funds or \$2,057,413. At fiscal year-end, \$514,353 was due to CUF and recorded in accounts payable. The management fee is included in the current year income, gains and appreciation recorded on the CUF loan.

Endowment funds, including those owned by the University, are invested as a part of the overall investment portfolio managed by CUF. A unitized approach is taken in allocating pooled investment income and realized and unrealized gains and losses, net of external management and other fees, to individual endowment funds. Real estate investments are stated primarily at the current appraised value.

NOTES TO FINANCIAL STATEMENTS

CUF investment income, net of external and internal management expenses and fees, and gains and losses arising from the sale or other disposition of investments and other noncash assets is distributed to the various endowments using a pooled income approach. This approach distributes income following the market value unit method, which is based on the number of units each fund owns in the managed investment pool.

CUF Endowment and board-designated funds are invested on the basis of a total return policy to provide income and to realize appreciation in investment values. Under this policy, earnings, not to exceed a specified percentage, could be used to support the intended purposes. Any such earnings used to support the intended purposes are allocated only from those funds which have a market value in excess of historical value.

A summary of investments at fair value at June 30, 2021 follows:

Investments	
Description	Amount
Money market	\$ 7,414,972
Treasury/Agency	63,085,115
Mortgage backed securities	20,887,273
Corporate bonds	28,601,822
US equities	423,887,936
Global equities	148,553,972
Commodities	18,870,369
Hedge funds	132,698,821
Private equity	127,803,074
Public real assets	580,875
Private real assets	22,308,683
Other	5,676,188
Subtotal - marketable investments	1,000,369,100
Subordinated note receivable from Clemson University Real Estate Foundation, Inc.	20,000,000
Total Investments	\$ 1,020,369,100

Clemson University Land Stewardship Foundation

The Clemson University Land Stewardship Foundation (CULSF) is a separately chartered corporation established to serve the needs of Clemson University in the management, development, and investment of real property and related assets. CULSF's activities are governed by its Board of Directors.

As discussed in Note 1, CULSF has been included in the reporting entity as a component unit. Because CULSF is deemed not to be a governmental entity and uses a different reporting model, its balances and transactions are reported on separate financial statements.

The University leases and utilizes several facilities owned and operated by CULSF. The University entered into a capital lease with CULSF for space in the Greenville One Building in downtown Greenville. For the fiscal year ending June 30, 2021, \$235,071 was paid by the University to CULSF for common area maintenance costs and \$1,050,976 for operating leases at the CU-ICAR campus. Capital lease-related principal, interest, and operating expense payments totaling \$823,879 were paid to CULSF for the Greenville One building.

CULSF reimbursed the University \$223,698 for salaries for time devoted by University employees to CULSF, management services, and other operating expenses.

IPTAY

IPTAY is a separately chartered corporation established exclusively to support University athletics. IPTAY's activities are governed by its Board of Directors.

As discussed in Note 1, IPTAY has been included in the reporting entity as a component unit. Because IPTAY is deemed not to be a governmental entity and uses a different reporting model, its balances and transactions are reported on separate financial statements.

In the fiscal year beginning July 1, 2014, IPTAY began operating as an independent entity. Previously, although recognized as a tax-exempt organization by the Internal Revenue Service, all IPTAY receipts were deposited through the University into State Treasurer bank accounts and related disbursements were also made from these accounts. During the fiscal year ended June 30, 2021, IPTAY contributed \$62,686,640 to the University for qualifying athletic scholarships, operating expenses, capital project funding, and debt service obligations. As of June 30, 2021, IPTAY had remaining commitments of approximately \$149,297 for University building projects.

At June 30, 2021, the Statement of Net Position includes accounts receivable from IPTAY of \$4,126,566.

NOTES TO FINANCIAL STATEMENTS

NOTE 21.

SUBSEQUENT EVENTS

In May 2021, the University was awarded \$36,192,610 in Higher Education Emergency Relief (HEERF) funds, authorized by the American Rescue Plan. The award includes \$18,105,028 to be used to provide emergency financial aid grants to students and \$18,087,582 in institutional funds to defray expenses associated with COVID-19. The University disbursed \$9,055,002 in emergency financial aid grants to students on September 14, 2021 and will disburse the remaining funds in the spring semester of the 2021-2022 academic year. The University will monitor expenditures associated with coronavirus and will utilize the institutional funds to defray those costs during the 2021-2022 fiscal year.

The University implemented a freeze of tuition and mandatory fees for the 2021-2022 academic year for all in-state and out-of-state students. The University began the fall 2021 semester with a return to normal operations. Despite the pandemic, early indicators reflect strong enrollment growth for the fall semester.

COVID-19 has adversely affected, and may continue to adversely affect, economic activity globally, nationally and locally. The degree of future impacts to the University's operational and financial performance are extremely difficult to predict and will depend on certain developments, including the duration and spread of the outbreak, impact on the University's donors, employees, and vendors, and governmental, regulatory, and private sector responses. The University continues to closely monitor and respond to COVID-19.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

South Carolina Retirement System (SCRS)					
For the Year	University's Proportionate Share of the Net Pension Liability	University's Proportionate Share of the Net Pension Liability	University's Covered Payroll During the Measurement Period	University's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	2.945896%	\$ 752,728,463	\$ 391,028,661	192.50%	50.70%
2020	2.902484%	662,757,449	368,957,711	179.63%	54.40%
2019	2.814404%	630,618,329	353,863,380	178.21%	54.10%
2018	2.706197%	609,208,463	342,899,971	177.66%	53.30%
2017	2.649480%	565,925,017	323,787,717	174.78%	52.90%
2016	2.657194%	503,949,653	313,711,782	160.64%	56.99%
2015	2.601067%	447,817,506	308,864,854	144.99%	59.92%
2014	2.601067%	441,495,608	292,367,473	151.01%	56.39%

Police Officers Retirement System (PORS)					
For the Year	University's Proportionate Share of the Net Pension Liability	University's Proportionate Share of the Net Pension Liability	University's Covered Payroll During the Measurement Period	University's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	0.370220%	\$ 12,277,294	\$ 5,602,769	219.13%	58.80%
2020	0.333467%	9,556,980	4,828,640	197.92%	62.70%
2019	0.290328%	8,226,555	4,026,706	204.30%	61.70%
2018	0.29435%	8,063,788	3,963,883	203.43%	60.90%
2017	0.28558%	7,243,538	3,640,094	198.99%	60.40%
2016	0.26576%	5,792,207	3,300,804	175.48%	64.57%
2015	0.26743%	5,119,734	3,238,913	158.07%	67.55%
2014	0.26743%	5,127,588	2,973,675	172.43%	62.98%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF UNIVERSITY CONTRIBUTIONS TO PENSION PLANS

South Carolina Retirement System (SCRS)							
For the Year		Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (excess)		University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$	48,649,289	\$ 48,649,289	\$ —	\$	398,868,041	12.20%
2020		48,191,395	48,191,395	—		391,028,661	12.32%
2019		41,685,052	41,685,052	—		368,957,711	11.30%
2018		36,234,136	36,234,136	—		353,863,380	10.24%
2017		31,566,642	31,566,642	—		342,899,971	9.21%
2016		28,386,836	28,376,288	10,548		323,787,717	8.77%
2015		27,147,096	27,156,699	(9,603)		313,711,782	8.65%
2014		25,031,158	25,031,158	—		308,864,854	8.10%
2013		24,089,283	24,089,283	—		292,367,473	8.24%
2012		19,221,300	19,221,300	—		263,508,916	7.29%

Police Officers Retirement System (PORS)							
For the Year		Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (excess)		University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$	1,331,211	\$ 1,331,211	\$ —	\$	5,596,490	23.79%
2020		982,682	982,682	—		5,602,769	17.54%
2019		1,087,404	1,087,404	—		4,828,640	22.52%
2018		614,762	614,762	—		4,026,706	15.27%
2017		564,457	564,457	—		3,963,883	14.24%
2016		500,233	500,233	—		3,640,094	13.74%
2015		441,480	441,508	(28)		3,300,804	13.37%
2014		412,997	412,997	—		3,238,913	12.75%
2013		364,346	364,346	—		2,973,675	12.25%
2012		275,212	275,212	—		2,343,277	11.74%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET RETIREE HEALTH
BENEFITS LIABILITY

South Carolina Retiree Health Care Plan						
For the Year	University's Proportionate Share of the Net Retiree Health Benefits Liability	University's Proportionate Share of the Net Retiree Health Benefits Liability	University's Covered Payroll During the Measurement Period	University's Proportionate Share of the Net Retiree Health Benefits Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Retiree Health Benefit Liability	
2021	4.302870%	\$ 776,730,275	\$ 396,631,430	190.67%	8.39%	
2020	4.273880%	646,275,814	373,786,351	162.59%	8.44%	
2019	4.150069%	588,089,053	357,890,086	153.99%	7.91%	
2018	4.113249%	557,132,840	346,863,854	153.27%	7.60%	

South Carolina Basic Long-Term Disability Plan						
For the Year	University's Proportionate Share of the Net Retiree Health Benefits Liability	University's Proportionate Share of the Net Retiree Health Benefits Liability	University's Covered Payroll During the Measurement Period*	University's Proportionate Share of the Net Retiree Health Benefits Liability as a Percentage of its Covered Payroll*	Plan Fiduciary Net Position as a Percentage of the Total Retiree Health Benefit Liability	
2021	2.496725%	\$ 7,570	N/A	N/A	99.29%	
2020	2.483323%	48,878	N/A	N/A	95.17%	
2019	2.418150%	74,025	N/A	N/A	92.20%	
2018	2.377844%	43,110	N/A	N/A	95.29%	

*Because contributions to the LTD plan are not based on a measure of pay, no measure of payroll should be presented (see paragraph 13 of GASB 85).

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF UNIVERSITY CONTRIBUTIONS TO RETIREE HEALTH BENEFIT PLANS

South Carolina Retiree Health Care Plan						
For the Year	Contractually Required Contributions	Contributions Recognized by the Plan	Contribution Deficiency (excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll	
2021	\$ 25,279,033	\$ 25,279,033	\$ —	\$ 404,464,531	6.25%	
2020	24,789,464	24,789,464	—	396,631,430	6.25%	
2019	22,614,074	22,614,074	—	373,786,351	6.05%	
2018	19,241,272	19,241,272	—	357,890,086	5.38%	
2017	16,929,079	16,929,079	—	346,863,854	4.88%	
2016	16,371,391	16,371,391	—	327,427,811	5.00%	
2015	15,850,629	15,850,629	—	317,012,586	5.00%	
2014	14,783,300	14,783,300	—	312,103,767	4.74%	
2013	12,988,807	12,988,807	—	295,341,148	4.40%	
2012	11,039,467	11,039,467	—	265,852,193	4.15%	

South Carolina Basic Long-Term Disability Plan						
For the Year	Contractually Required Contributions	Contributions Recognized by the Plan	Contribution Deficiency (excess)	University's Covered Payroll*	Contributions as a Percentage of Covered Payroll*	
2021	\$ 176,082	\$ 176,082	\$ —	N/A	N/A	
2020	176,543	176,543	—	N/A	N/A	
2019	178,729	178,729	—	N/A	N/A	
2018	169,114	169,114	—	N/A	N/A	
2017	167,768	172,122	(4,354)	N/A	N/A	
2016	164,606	164,606	—	N/A	N/A	
2015	171,980	171,980	—	N/A	N/A	
2014	166,203	166,203	—	N/A	N/A	
2013	145,840	145,840	—	N/A	N/A	
2012	142,137	142,137	—	N/A	N/A	

*Because contributions to the LTD plan are not based on a measure of pay, no measure of payroll should be presented (see paragraph 13 of GASB 85).



Statistical Section
(unaudited)

Statistical Section

This section of the Annual Comprehensive Financial Report provides additional information as a context for understanding what the information in the financial statements and note disclosures says about the University's and the State of South Carolina's overall financial health.

Contents	Page
Financial Trends	84
These schedules contain trend information to help the reader understand how the University's financial performance and well-being have changed over time.	
Debt Capacity	90
These schedules present information to help the reader assess the affordability of the University's current levels of outstanding debt and the University's ability to issue additional debt in the future.	
Operating Information	93
These schedules contain service and capital asset data to help the reader understand how the information in the University's financial report relates to the services the University provides and the activities it performs.	
Demographic and Economic Information	99
These schedules offer demographic and economic indicators to help the reader understand the environment within which the University's and the State's financial activities take place.	

SCHEDULE OF REVENUES BY SOURCE

For the Year Ended June 30, (amounts expressed in thousands)										
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues:										
Student tuition and fees (net of scholarship allowances)	\$ 478,014	\$ 466,846	\$ 425,219	\$ 397,740	\$ 364,126	\$ 341,077	\$ 316,893	\$ 300,711	\$ 288,778	\$ 269,671
Federal grants and contracts	101,160	95,749	90,469	83,570	81,924	71,500	63,540	62,079	64,467	63,962
State grants and contracts	87,704	85,256	78,533	68,444	62,055	58,828	57,352	53,189	51,377	46,868
Local grants and contracts	1,151	1,156	968	776	1,772	912	882	1,640	796	690
Nongovernmental grants and contracts	11,812	11,733	12,289	11,447	11,616	12,844	11,223	11,174	9,446	8,226
Sales and services of educational and other activities	18,348	18,317	22,587	22,193	21,303	20,441	20,104	18,778	17,203	15,845
Sales and services of auxiliary enterprises (net of scholarship allowances)	140,234	180,667	189,684	161,667	169,527	163,635	129,119	121,927	114,618	106,181
Other operating revenues	29,413	38,398	40,605	38,648	34,037	31,638	38,322	34,840	31,372	27,771
Total operating revenues	867,835	898,122	860,354	784,485	746,360	700,875	637,435	604,338	578,057	539,214
State appropriations	143,174	144,251	136,487	123,914	119,309	108,812	106,345	99,591	92,784	88,780
Federal appropriations	13,016	13,126	11,115	11,208	12,240	11,632	11,338	10,566	10,948	11,507
Gifts and grants	181,437	102,743	94,905	85,056	67,552	48,189	33,586	62,951	56,403	59,126
Interest income	6	16,805	18,080	2,397	3,700	4,071	670	3,077	1,073	6,948
Endowment income (loss)	59,597	1,900	9,829	15,669	19,955	(2,979)	4,086	23,664	14,744	(1,114)
Other nonoperating revenues	322	500	4,665	2,150	330	78	340	648	310	1,271
Proceeds from the sale of capital assets	125	114	1,283	189	1,397	252	188	376	458	636
Total nonoperating revenues	397,677	279,439	276,364	240,583	224,483	170,055	156,553	200,873	176,720	167,154
Total revenues	\$1,265,512	\$1,177,561	\$1,136,718	\$1,025,068	\$ 970,843	\$ 870,930	\$ 793,988	\$ 805,211	\$ 754,777	\$ 706,368

**For the Year Ended June 30,
(percent of total revenues)**

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues:										
Student tuition and fees (net of scholarship allowances)	37.8 %	39.6 %	37.3 %	38.7 %	37.4 %	39.3 %	40.0 %	37.4 %	38.2 %	38.2 %
Federal grants and contracts	8.0 %	8.1 %	8.0 %	8.2 %	8.4 %	8.2 %	8.0 %	7.7 %	8.5 %	9.1 %
State grants and contracts	6.9 %	7.2 %	6.9 %	6.7 %	6.4 %	6.8 %	7.2 %	6.6 %	6.8 %	6.6 %
Local grants and contracts	0.1 %	0.1 %	0.1 %	0.1 %	0.2 %	0.1 %	0.1 %	0.2 %	0.1 %	0.1 %
Nongovernmental grants and contracts	0.9 %	1.0 %	1.1 %	1.1 %	1.2 %	1.5 %	1.4 %	1.4 %	1.3 %	1.2 %
Sales and services of educational and other activities	1.4 %	1.6 %	2.0 %	2.2 %	2.2 %	2.3 %	2.5 %	2.3 %	2.3 %	2.2 %
Sales and services of auxiliary enterprises (net of scholarship allowances)	11.1 %	15.3 %	16.7 %	15.8 %	17.5 %	18.8 %	16.3 %	15.1 %	15.2 %	15.0 %
Other operating revenues	2.3 %	3.5 %	3.6 %	3.8 %	3.5 %	3.6 %	4.8 %	4.3 %	4.2 %	3.9 %
Total operating revenues	68.6 %	76.4 %	75.7 %	76.6 %	76.8 %	80.6 %	80.3 %	75.0 %	76.6 %	76.3 %
State appropriations	11.3 %	12.2 %	12.0 %	12.1 %	12.3 %	12.5 %	13.5 %	12.5 %	12.3 %	12.6 %
Federal appropriations	1.0 %	1.1 %	1.0 %	1.1 %	1.3 %	1.3 %	1.4 %	1.3 %	1.5 %	1.6 %
Gifts and grants	14.3 %	8.7 %	8.3 %	8.3 %	7.0 %	5.5 %	4.2 %	7.8 %	7.4 %	8.4 %
Interest income	— %	1.4 %	1.6 %	0.2 %	0.4 %	0.4 %	0.1 %	0.4 %	0.1 %	1.0 %
Endowment income (loss)	4.7 %	0.2 %	0.9 %	1.5 %	2.1 %	(0.3) %	0.5 %	2.9 %	2.0 %	(0.2) %
Other nonoperating revenues	0.0 %	0.0 %	0.4 %	0.2 %	0.0 %	0.0 %	0.0 %	0.1 %	0.0 %	0.2 %
Proceeds from the sale of capital assets	0.0 %	0.0 %	0.1 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
Total nonoperating revenues	31.4 %	23.6 %	24.3 %	23.4 %	23.2 %	19.4 %	19.7 %	25.0 %	23.4 %	23.7 %
Total revenues	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Clemson University Annual Comprehensive Financial Reports.

SCHEDULE OF EXPENSES BY USE

	For the Year ended June 30, (amounts expressed in thousands)									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Expenses:										
Compensation and employee benefits	\$ 743,857	\$ 709,455	\$ 632,151	\$ 617,355	\$ 556,537	\$ 513,401	\$ 478,991	\$ 444,913	\$ 419,665	\$ 384,703
Services and supplies	275,874	316,186	319,566	278,228	265,758	267,423	262,955	243,893	219,962	198,747
Utilities	19,217	16,656	20,548	20,593	19,730	18,910	19,783	20,344	17,961	16,946
Depreciation	68,024	66,648	59,346	57,491	51,759	49,872	49,316	42,974	32,715	37,162
Scholarships and fellowships	42,112	47,700	33,579	30,668	27,269	27,726	25,411	23,846	26,380	20,942
Total operating expenses	<u>1,149,084</u>	<u>1,156,645</u>	<u>1,065,190</u>	<u>1,004,335</u>	<u>921,053</u>	<u>877,332</u>	<u>836,456</u>	<u>775,970</u>	<u>716,683</u>	<u>658,500</u>
Interest on capital asset related debt	21,596	22,523	23,416	22,056	21,471	17,091	7,341	5,512	5,875	5,799
(Gain) loss on disposal of capital assets	322	1,655	1,540	826	1,965	340	4,343	(1,200)	254	2,255
Refunds to grantors	513	491	499	90	120	71	137	178	515	381
Facilities and administrative remittances to the State	292	269	280	252	317	450	375	413	339	386
Total nonoperating expenses	<u>22,724</u>	<u>24,938</u>	<u>25,735</u>	<u>23,224</u>	<u>23,873</u>	<u>17,952</u>	<u>12,196</u>	<u>4,903</u>	<u>6,983</u>	<u>8,821</u>
Total expenses	<u>\$1,171,808</u>	<u>\$1,181,583</u>	<u>\$1,090,925</u>	<u>\$1,027,559</u>	<u>\$ 944,926</u>	<u>\$ 895,284</u>	<u>\$ 848,652</u>	<u>\$ 780,873</u>	<u>\$ 723,666</u>	<u>\$ 667,321</u>

	For the Year Ended June 30, (percent of total expenses)									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Expenses:										
Compensation and employee benefits	63.7 %	60.1 %	58.1 %	60.1 %	58.9 %	57.3 %	56.5 %	57.0 %	58.0 %	57.6 %
Services and supplies	23.5 %	26.8 %	29.3 %	27.1 %	28.1 %	29.9 %	31.0 %	31.2 %	30.4 %	29.8 %
Utilities	1.6 %	1.4 %	1.9 %	2.0 %	2.1 %	2.1 %	2.3 %	2.6 %	2.5 %	2.5 %
Depreciation	5.8 %	5.7 %	5.4 %	5.6 %	5.5 %	5.6 %	5.8 %	5.5 %	4.5 %	5.6 %
Scholarships and fellowships	3.6 %	4.0 %	3.1 %	3.0 %	2.9 %	3.1 %	3.0 %	3.1 %	3.7 %	3.1 %
Total operating expenses	<u>98.2 %</u>	<u>98.0 %</u>	<u>97.8 %</u>	<u>97.8 %</u>	<u>97.5 %</u>	<u>98.0 %</u>	<u>98.6 %</u>	<u>99.4 %</u>	<u>99.1 %</u>	<u>98.6 %</u>
Interest on capital asset related debt	1.8 %	1.9 %	2.1 %	2.1 %	2.3 %	1.9 %	0.9 %	0.7 %	0.8 %	0.9 %
(Gain) loss on disposal of capital assets	0.0 %	0.1 %	0.1 %	0.1 %	0.2 %	0.0 %	0.5 %	(0.2) %	0.0 %	0.3 %
Refunds to grantors	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
Facilities and administrative remittances to the State	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.0 %	0.1 %	0.0 %	0.1 %
Total nonoperating expenses	<u>1.8 %</u>	<u>2.0 %</u>	<u>2.2 %</u>	<u>2.2 %</u>	<u>2.5 %</u>	<u>2.0 %</u>	<u>1.4 %</u>	<u>0.6 %</u>	<u>0.9 %</u>	<u>1.4 %</u>
Total expenses	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Source: Clemson University Annual Comprehensive Financial Reports.

SCHEDULE OF EXPENSES BY FUNCTION

	For the Year Ended June 30, (amounts expressed in thousands)									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Expenses:										
Instruction	\$ 269,269	\$ 282,039	\$ 270,130	\$ 253,820	\$ 238,535	\$ 229,362	\$ 225,965	\$ 216,977	\$ 201,731	\$ 181,146
Research	190,763	188,154	177,050	164,054	153,423	144,424	138,650	133,562	130,787	123,594
Public service	72,124	71,456	70,608	68,831	66,924	64,423	65,432	63,542	59,837	57,890
Academic support	71,209	73,424	62,996	58,640	51,740	45,218	47,169	42,231	38,926	36,715
Student services	58,691	47,265	46,942	43,468	39,686	36,061	37,137	35,578	26,694	24,685
Institutional support	60,850	59,972	49,459	46,434	40,112	38,600	42,053	38,019	34,640	28,925
Operation and maintenance of plant	65,274	78,212	69,346	73,406	67,762	70,306	76,975	64,116	62,754	47,505
Scholarships and fellowships	40,024	45,950	31,306	28,461	25,467	26,006	23,773	22,115	25,179	19,503
Auxiliary enterprises	163,959	182,774	188,064	168,030	164,425	162,394	125,739	116,856	103,420	101,375
Depreciation	68,024	66,648	59,346	57,491	51,759	49,872	49,316	42,974	32,715	37,162
Pension and OPEB	88,897	60,751	39,942	41,700	21,220	10,666	4,247	—	—	—
Interest on capital debt	21,596	22,523	23,417	22,056	21,471	17,091	7,341	5,512	5,875	5,799
(Gain) loss on disposal of capital assets	322	1,655	1,540	826	1,965	340	4,343	(1,200)	254	2,255
Refunds to grantors	514	491	499	90	120	71	137	178	515	381
Facilities and administrative remittances to the State	292	269	280	252	317	450	375	413	339	386
Total expenses	\$1,171,808	\$1,181,583	\$1,090,925	\$1,027,559	\$ 944,926	\$ 895,284	\$ 848,652	\$ 780,873	\$ 723,666	\$ 667,321

	For the Year Ended June 30, (percent of total expenses)									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Expenses:										
Instruction	23.0 %	23.9 %	24.8 %	24.7 %	25.2 %	25.6 %	26.6 %	27.8 %	27.8 %	27.1 %
Research	16.3 %	15.9 %	16.2 %	16.0 %	16.2 %	16.1 %	16.3 %	17.1 %	18.1 %	18.5 %
Public service	6.2 %	6.0 %	6.5 %	6.7 %	7.1 %	7.2 %	7.7 %	8.1 %	8.3 %	8.7 %
Academic support	6.1 %	6.2 %	5.8 %	5.7 %	5.5 %	5.1 %	5.6 %	5.4 %	5.4 %	5.5 %
Student services	5.0 %	4.0 %	4.3 %	4.2 %	4.2 %	4.0 %	4.4 %	4.6 %	3.7 %	3.7 %
Institutional support	5.2 %	5.1 %	4.5 %	4.5 %	4.2 %	4.3 %	5.0 %	4.9 %	4.8 %	4.3 %
Operation and maintenance of plant	5.6 %	6.6 %	6.4 %	7.1 %	7.2 %	7.9 %	9.1 %	8.2 %	8.7 %	7.1 %
Scholarships and fellowships	3.4 %	3.9 %	2.9 %	2.8 %	2.7 %	2.9 %	2.8 %	2.8 %	3.5 %	2.9 %
Auxiliary enterprises	14.0 %	15.5 %	17.2 %	16.4 %	17.4 %	18.1 %	14.8 %	15.0 %	14.3 %	15.2 %
Depreciation	5.8 %	5.6 %	5.4 %	5.6 %	5.5 %	5.6 %	5.8 %	5.5 %	4.5 %	5.6 %
Pension and OPEB	7.6 %	5.1 %	3.7 %	4.1 %	2.2 %	1.2 %	0.5 %	0.0 %	0.0 %	0.0 %
Interest on capital debt	1.8 %	1.9 %	2.1 %	2.1 %	2.3 %	1.9 %	0.9 %	0.7 %	0.8 %	0.9 %
(Gain) loss on disposal of capital assets	0.0 %	0.1 %	0.1 %	0.1 %	0.2 %	0.0 %	0.5 %	(0.2)%	0.0 %	0.3 %
Refunds to grantors	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
Facilities and administrative remittances to State	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.0 %	0.1 %	0.0 %	0.1 %
Total expenses	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Clemson University Annual Comprehensive Financial Reports.

SCHEDULE OF NET POSITION AND CHANGES IN NET POSITION

	For the Fiscal Year (amounts expressed in thousands)									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Total revenues (from schedule of revenues by source)	\$ 1,265,512	\$ 1,177,561	\$ 1,136,718	\$ 1,025,068	\$ 970,843	\$ 870,930	\$ 793,988	\$ 805,211	\$ 754,777	\$ 706,368
Total expenses (from schedule of expenses by use and function)	(1,171,808)	(1,181,583)	(1,090,925)	(1,027,559)	(944,926)	(895,284)	(848,652)	(1,227,496)	(723,666)	(667,321)
Income (loss) before other revenues, expenses, gains or losses	93,704	(4,022)	45,793	(2,491)	25,917	(24,354)	(54,664)	(422,285)	31,111	39,047
State capital appropriations	—	10,900	9,850	—	5,240	15,886	4,457	9,397	9,612	9,468
Capital grants and gifts	3,155	19,619	24,094	17,561	56,006	37,580	6,448	6,198	21,945	28,350
Additions to permanent endowments	83	90	38	101	20	567	209	123	2,710	4,259
Total changes in net position	96,942	26,587	79,775	15,171	87,183	29,679	(43,550)	(406,567)	65,378	81,124
Net position, beginning	326,601	300,014	220,239	205,068	695,931	666,252	709,802	1,116,369	1,050,991	969,867
Net position, ending	\$ 423,543	\$ 326,601	\$ 300,014	\$ 220,239	\$ 783,114	\$ 695,931	\$ 666,252	\$ 709,802	\$1,116,369	\$1,050,991
Net investment in capital assets	\$ 824,010	\$ 836,774	\$ 814,368	\$ 789,141	\$ 770,325	\$ 759,323	\$ 680,331	\$ 639,236	\$ 604,854	\$ 535,281
Restricted - expendable	59,504	209,643	183,297	150,070	144,460	99,062	126,834	184,828	192,765	201,484
Restricted - nonexpendable	244,504	58,967	58,979	59,002	58,867	58,698	58,323	58,241	57,880	55,045
Unrestricted	(704,475)	(778,783)	(756,630)	(777,974)	(190,538)	(221,152)	(199,236)	(172,503)	260,870	259,181
Total	\$ 423,543	\$ 326,601	\$ 300,014	\$ 220,239	\$ 783,114	\$ 695,931	\$ 666,252	\$ 709,802	\$1,116,369	\$1,050,991

Source: Clemson University Annual Comprehensive Financial Reports.

SCHEDULE OF RATIOS OF OUTSTANDING DEBT

	For the Fiscal Year									
	<i>(amounts expressed in thousands except for outstanding debt per student)</i>									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
General Obligation Bonds	\$ 195,295	\$ 199,360	\$ 209,600	\$ 213,380	150,350	\$ 104,435	\$ 110,615	\$ 116,770	\$ 88,420	\$ 93,075
Revenue Bonds	261,065	267,570	274,470	281,050	289,205	295,600	110,860	26,585	32,350	37,620
Athletic Facilities Revenue Bonds	124,850	129,385	133,730	137,900	130,605	134,450	118,875	22,680	24,150	25,600
Subtotal bonds payable	581,210	596,315	617,800	632,330	570,160	534,485	340,350	166,035	144,920	156,295
Unamortized bond premiums	43,300	44,246	46,896	48,761	36,097	33,984	20,425	9,387	7,145	8,078
Total bonds payable	624,510	640,561	664,696	681,091	606,257	568,469	360,775	175,422	152,065	164,373
Notes Payable	—	—	—	—	—	—	—	—	150	475
Capital Lease Obligations	10,408	11,142	11,688	11,991	11,990	12,967	13,993	14,963	15,911	—
Total outstanding debt	\$ 634,918	\$ 651,703	\$ 676,384	\$ 693,082	\$ 618,247	\$ 581,436	\$ 374,768	\$ 190,385	\$ 168,126	\$ 164,848
Full-time equivalent students	24,906	24,324	23,663	23,215	22,307	21,654	20,823	20,202	19,800	18,980
Outstanding debt per student	25,493	26,793	28,584	29,855	27,715	26,851	17,998	9,424	8,491	8,685

Note: Outstanding debt per student calculated using fall semester full-time equivalent student enrollment data for the last ten academic years (**page 93**).

Source: Clemson University Annual Comprehensive Financial Reports, Clemson University Office of Institutional Research

SCHEDULE OF BOND COVERAGE

Last Ten Fiscal Years
(amounts in thousands)

General Obligation Bonds

Fiscal Year Ended June 30	Tuition and Matriculation Fees	Total Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
			Principal	Interest	Total	
2021	\$50,389	\$50,389	\$10,450	\$7,890	\$18,340	2.75
2020	48,231	48,231	10,240	6,750	16,990	2.84
2019	43,155	43,155	9,415	7,035	16,450	2.62
2018	42,004	42,004	6,950	5,553	12,503	3.36
2017	35,818	35,818	6,480	5,058	11,538	3.10
2016	33,662	33,662	6,180	4,217	10,397	3.24
2015	29,525	29,525	6,155	4,544	10,699	2.76
2014	27,487	27,487	4,680	3,484	8,164	3.37
2013	24,703	24,703	4,655	3,823	8,478	2.91
2012	22,440	22,440	4,690	3,438	8,128	2.76

Athletic Facilities Revenue Bonds

Fiscal Year Ended June 30	Athletic Revenues	Athletic Operating Expenses	Net Athletic Revenues	Admissions Fee	Total Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
						Principal	Interest	Total	
2021	\$122,432	\$107,218	\$15,214	\$358	\$15,572	\$4,535	\$5,064	\$9,599	1.62
2020	140,679	121,802	18,877	2,208	21,085	4,345	4,826	9,171	2.30
2019	145,167	121,902	23,265	2,252	25,517	4,170	5,002	9,172	2.78
2018	128,631	109,270	19,361	2,179	21,540	4,005	4,970	8,975	2.40
2017	117,150	101,322	15,828	2,214	18,042	3,845	4,946	8,791	2.05
2016	112,996	92,274	20,722	1,927	22,649	3,300	4,752	8,052	2.81
2015	85,185	77,052	8,133	2,046	10,179	1,380	1,616	2,996	3.40
2014	82,087	72,762	9,325	667	9,992	1,470	802	2,272	4.40
2013	76,099	65,588	10,511	2,031	12,542	1,450	953	2,403	5.22
2012	73,151	66,988	6,163	2,015	8,178	975	1,054	2,029	4.03

Revenue Bonds

Fiscal Year Ended June 30	Revenues	Operating Expenses	Defined Net Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
				Principal	Interest	Total	
2021	\$67,786	\$36,648	\$31,138	\$6,505	\$10,892	\$17,397	1.79
2020	77,834	46,189	31,645	6,900	10,402	17,302	1.83
2019	90,776	52,687	38,089	6,580	10,729	17,309	2.20
2018	70,107	45,143	24,964	8,155	10,819	18,974	1.32
2017	68,185	42,855	25,330	6,395	10,970	17,365	1.46
2016	62,317	39,103	23,214	6,260	7,917	14,177	1.64
2015	58,653	38,667	19,986	6,010	890	6,900	2.90
2014	56,749	36,310	20,439	5,765	691	6,456	3.17
2013	55,452	35,233	20,219	5,270	1,137	6,407	3.16
2012	50,466	31,636	18,830	5,320	1,968	7,288	2.58

Note: The revenue bonds are secured by revenues from five sources: dining services, vending operations, the University bookstore, student housing and parking.

Source: Clemson University Annual Comprehensive Financial Reports

SCHEDULE OF CAPITAL ASSET INFORMATION

Last Ten Fiscal Years

	For the Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Academic buildings:										
Net assignable square feet (in thousands)	1,559,309	1,477,334	1,362,528	1,347,951	1,347,951	1,326,740	1,370,476	1,427,870	1,391,955	1,292,391
Administrative and support buildings:										
Net assignable square feet (in thousands)	588,287	587,995	762,523	589,243	589,243	579,205	534,617	533,047	570,867	529,590
Laboratories:										
Net assignable square feet (in thousands)	588,478	588,478	605,671	604,448	604,448	597,556	597,540	674,059	604,045	644,171
Auxiliary and independent operations buildings:										
Net assignable square feet (in thousands)	2,424,461	2,424,461	1,954,624	1,692,580	1,692,580	1,644,622	1,644,622	1,719,202	1,726,207	1,618,671
Student housing:										
Residence halls	22	22	22	20	20	23	23	23	23	23
Suites	5	5	5	5	5	3	3	3	3	3
Apartments	8	8	8	4	4	4	4	4	4	4
Units available	7,598	7,598	7,579	6,473	6,469	6,236	6,275	6,248	6,162	6,080
Units in use	6,777	7,516	7,401	6,325	6,469	6,122	6,140	6,113	6,303	5,724
Percent occupancy	88.6 %	98.9 %	97.7 %	97.7 %	100.0 %	98.2 %	97.8 %	97.8 %	102.3 %	94.1 %
Dining facilities:										
Locations	22	22	22	19	19	17	17	17	17	17
Average daily customers	12,150	21,216	21,120	19,456	18,701	18,316	18,020	17,746	17,667	17,200
Parking facilities:										
Parking spaces available	14,901	14,403	14,290	14,404	12,784	12,125	12,457	12,303	12,159	12,533
Parking permits issued to students	11,897	15,241	15,934	15,834	15,812	15,625	17,188	16,007	15,547	16,294
Parking permits issued to faculty/staff	4,084	5,013	4,912	4,976	5,106	5,001	5,093	5,069	4,973	4,814

Sources:

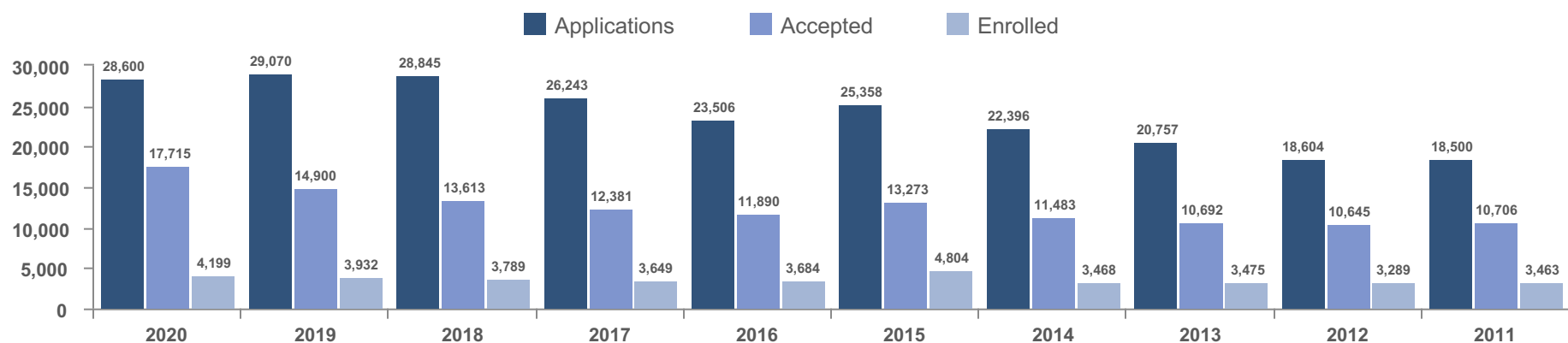
Building square footage	Clemson University Office of Institutional Research
Student housing	Clemson University Housing
Dining facilities	Clemson University Business Services
Parking facilities	Clemson University Parking Services

ADMISSIONS, ENROLLMENT AND DEGREE STATISTICS

Last Ten Academic Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Admissions-Freshman										
Accepted as a percentage of applications	62.0%	51.0%	47.0%	47.0%	51.0%	51.0%	52.0%	57.0%	58.0%	60.0%
Enrolled as a percentage of accepted	24.0%	26.0%	28.0%	29.0%	31.0%	30.0%	33.0%	31.0%	32.0%	29.0%
SAT scores-tot	1,302	1,318	1,307	1,302	1,242	1,251	1,252	1,246	1,246	1,229
Verbal	649	654	649	650	611	613	611	609	610	599
Math	654	664	658	652	631	638	641	637	636	630
South Carolina average SAT score-total	1,058	1,030	1,070	1,064	987	978	978	971	969	972

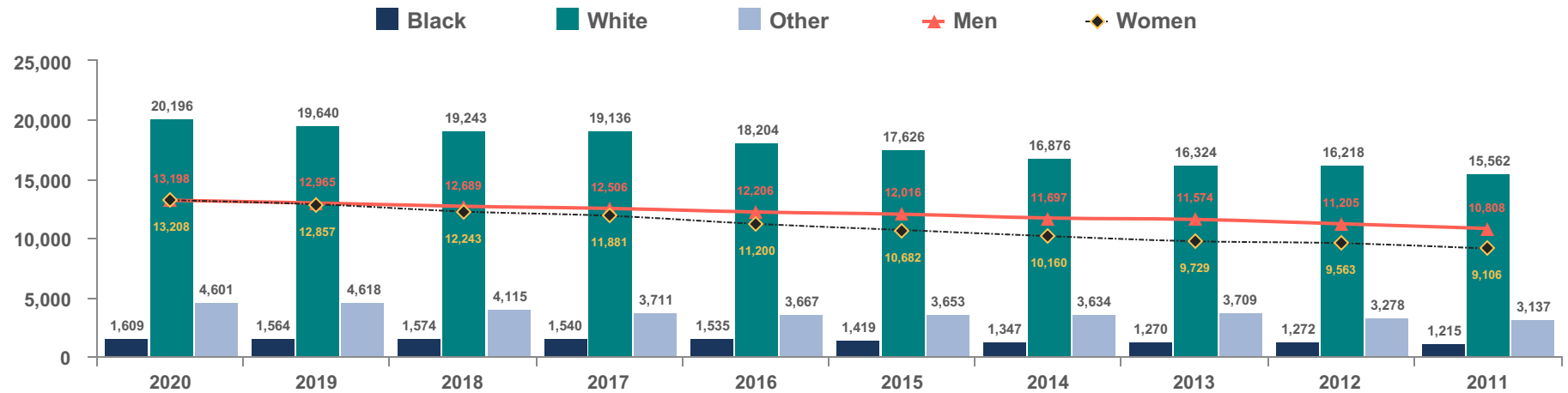
Admissions — Freshman Applied, Accepted and Enrolled



NOTES: Applications Applied, Accepted and Enrolled for 2015 and before include transfer students. Applications for 2016 and forward include only Freshman entering Clemson.
The National College Board changed the scoring for 2017 SAT's from Verbal and Math to Reading/Writing and Math from a 1600 scale to a 2400 scale which increases the total scores.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Enrollment										
Undergraduate and graduate FTE	24,906	24,324	23,663	23,215	22,307	21,654	20,823	20,202	19,800	18,980
Undergraduate and graduate headcount	26,406	25,822	24,932	24,387	23,406	22,698	21,857	21,303	20,768	19,914
Percentage of men	50.0 %	50.2 %	50.9 %	51.3 %	52.1 %	52.9 %	53.5 %	54.3 %	53.9 %	54.3 %
Percentage of women	50.0 %	49.8 %	49.1 %	48.7 %	47.9 %	47.1 %	46.5 %	45.7 %	46.1 %	45.7 %
Percentage of black	6.1 %	6.1 %	6.3 %	6.3 %	6.6 %	6.3 %	6.2 %	6.0 %	6.1 %	6.1 %
Percentage of white	76.5 %	76.1 %	77.2 %	78.5 %	77.8 %	77.6 %	77.2 %	76.6 %	78.1 %	78.2 %
Percentage of other	17.8 %	17.8 %	16.5 %	15.2 %	15.7 %	16.1 %	16.6 %	17.4 %	15.8 %	15.7 %

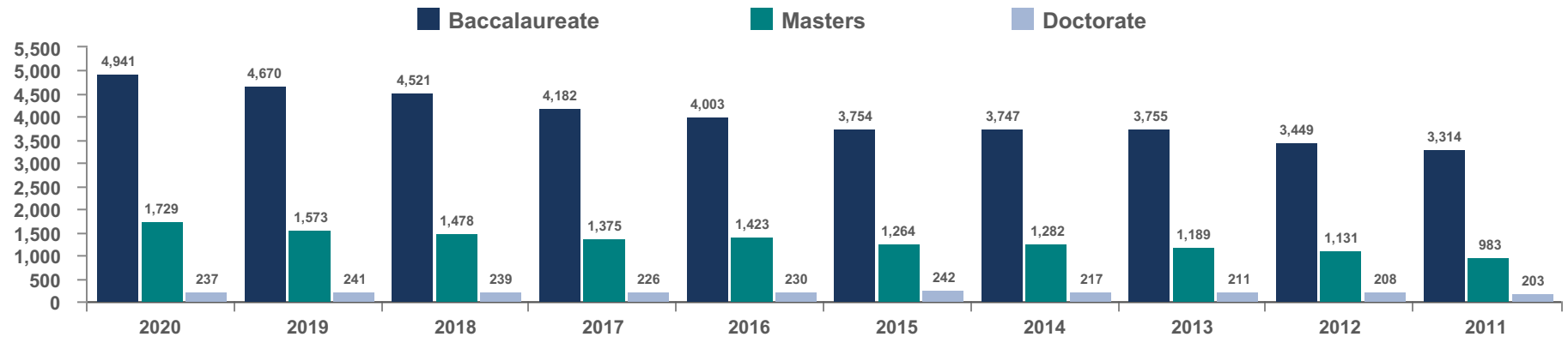
Enrollment — Undergraduate and Graduate Headcount



	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Degrees Earned*										
Baccalaureate	4,941	4,670	4,528	4,182	4,003	3,754	3,747	3,755	3,449	3,314
Masters**	1,729	1,573	1,478	1,375	1,423	1,264	1,282	1,189	1,131	983
Doctorate	237	241	239	226	230	242	217	211	208	203

* Includes May and August of the current year and December graduation from the previous year.

** Masters awards include specialist degrees.



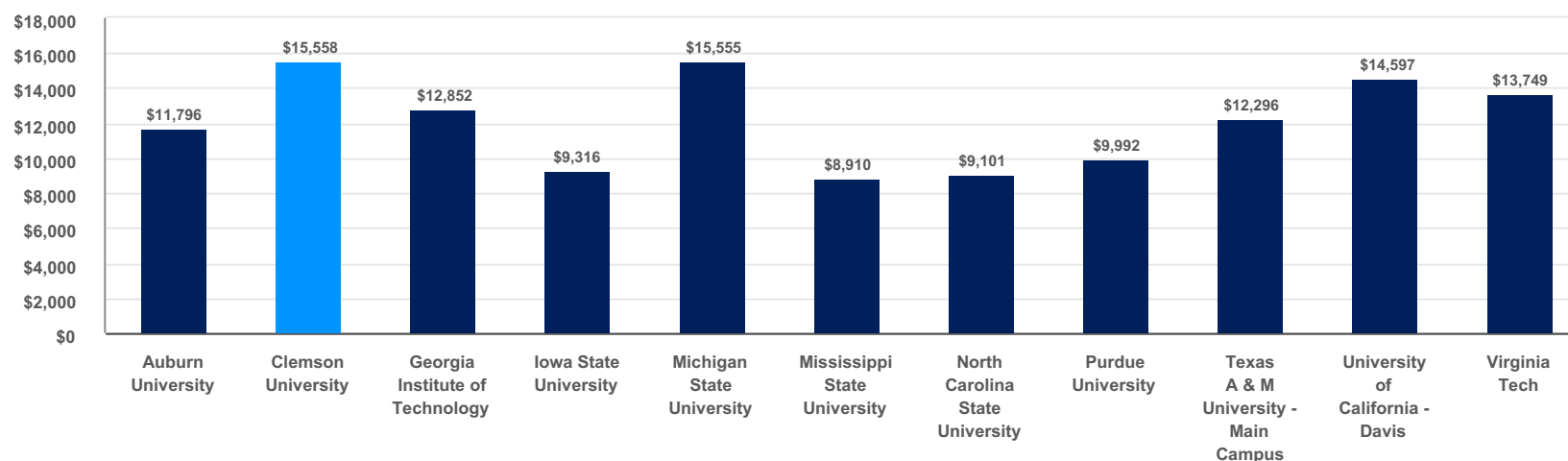
Source: Clemson University Office of Institutional Research (<https://www.clemson.edu/institutional-effectiveness/oir/factbook/>)

UNDERGRADUATE AVERAGE ANNUAL TUITION AND FEES

Clemson University in Comparison to Ten Peer Land-Grant Institutions
Last ten fiscal years

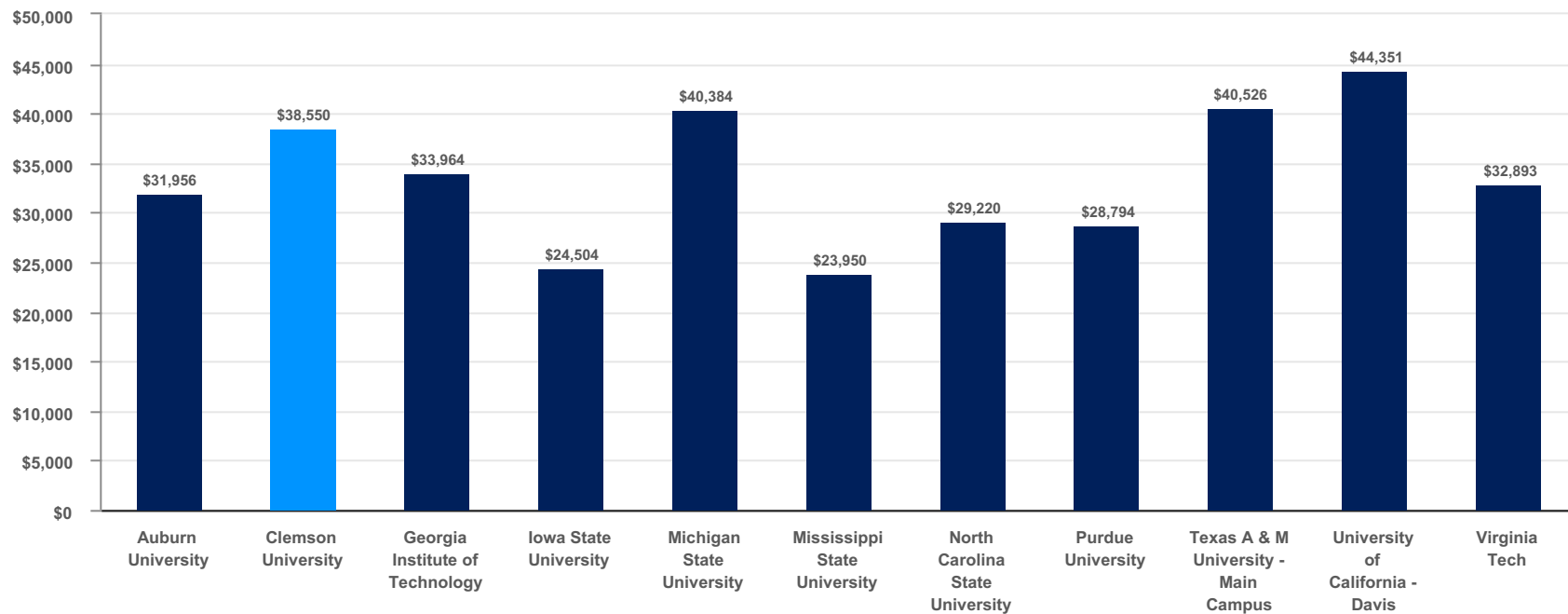
Institution - Resident	For the Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Auburn University	11,796	11,492	11,279	10,968	10,696	10,424	10,200	9,852	9,446	8,698
Clemson University	15,558	15,558	14,970	14,712	14,318	13,882	13,446	13,054	12,774	12,404
Georgia Institute of Technology	12,852	12,682	12,424	12,418	12,212	12,204	11,394	10,650	10,098	9,652
Iowa State University	9,316	9,320	8,988	8,636	8,219	7,736	7,731	7,726	7,726	7,486
Michigan State University	15,555	14,460	14,521	14,460	14,063	13,560	13,200	12,863	12,623	12,203
Mississippi State University	8,910	8,910	8,650	8,318	7,780	7,502	7,140	6,772	6,264	5,805
North Carolina State University	9,101	9,101	9,101	9,058	8,880	8,581	8,296	8,206	7,788	7,018
Purdue University	9,992	9,992	9,992	9,992	10,002	10,002	10,002	9,992	9,900	9,478
Texas A & M University - Main Campus	12,296	12,153	10,968	10,403	10,030	9,428	9,179	8,506	8,506	8,421
University of California - Davis	14,597	14,490	14,462	14,419	14,047	13,952	13,896	13,896	15,257	15,123
Virginia Tech	13,749	13,691	13,620	13,230	12,852	12,485	12,017	11,455	10,923	10,509

Undergraduate Tuition and Fees - Resident — FY 2020-2021



	For the Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Institution - Non Resident										
Auburn University	31,956	31,124	30,524	29,640	28,040	28,040	27,384	26,364	22,977	23,290
Clemson University	38,550	38,550	36,724	35,654	32,800	32,800	31,462	30,488	29,700	28,562
Georgia Institute of Technology	33,964	33,794	33,020	33,014	32,404	32,396	30,698	29,954	29,402	27,862
Iowa State University	24,504	24,508	23,392	22,472	21,583	20,856	20,617	20,278	19,838	19,358
Michigan State University	40,384	39,766	39,826	39,405	37,890	36,360	34,965	33,750	32,580	31,148
Mississippi State University	23,950	23,950	23,250	22,358	20,900	20,142	18,478	16,960	15,828	14,670
North Carolina State University	29,220	29,220	28,444	27,406	26,399	24,932	23,551	21,661	20,953	19,853
Purdue University	28,794	30,794	28,794	28,794	28,804	28,804	28,804	28,794	28,702	27,646
Texas A & M University - Main Campus	40,526	38,602	36,636	37,154	30,208	28,021	26,356	25,126	25,036	23,811
University of California - Davis	44,351	44,244	43,454	42,433	40,729	38,660	36,774	36,774	38,135	38,001
Virginia Tech	32,893	32,835	31,908	31,014	29,975	29,129	28,048	27,211	25,915	24,480

Undergraduate Tuition and Fees - Non Resident — FY 2020-2021



These figures are for undergraduate first-time, full-time students with an academic year of 24 semester hours or 30 quarter hours.

Source: College Tuition Compare (<https://www.collegetuitioncompare.com>)

FACULTY AND STAFF STATISTICS

Last Ten Fiscal Years

Numbers are Based on the October 1st Freeze Date from the Clemson University Business System

	For the Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Faculty										
Part-time	110	125	122	132	287	244	217	172	196	215
Full-time	1,512	1,516	1,468	1,415	1,199	1,187	1,171	1,157	1,111	1,110
Percentage tenured	43.3 %	44.5 %	43.5 %	41.6 %	43.5 %	43.4 %	45.3 %	46.7 %	46.7 %	43.8 %
Staff and administrators with faculty rank										
Part-time	253	260	245	282	1,085	982	921	856	783	682
Full-time	3,719	3,663	3,557	3,439	2,651	2,650	2,591	2,542	2,475	2,388
Total employees										
Part-time	363	385	367	414	1,372	1,226	1,138	1,028	979	897
Full-time	5,231	5,179	5,025	4,854	3,850	3,837	3,762	3,699	3,586	3,498
Students per full-time										
Faculty	17.5	17.0	17.0	17.2	19.5	19.1	18.7	18.4	18.7	17.9
Staff	7.0	7.0	7.0	7.1	8.8	8.6	8.4	8.4	8.4	8.3
Average annual faculty salary*	\$ 103,099	\$ 104,678	\$ 99,157	\$ 95,413	\$ 94,510	\$ 92,110	\$ 91,984	\$ 89,788	\$ 89,474	\$ 80,200

*Full-time, permanent, instructional in Academic departments (AAUP definition)

Note: Full-time includes all regular full-time employees, and part-time includes all part-time and all temporary employees.

Source: Clemson University Office of Institutional Research (<https://www.clemson.edu/institutional-effectiveness/oir/factbook/>)

DEMOGRAPHIC STATISTICS

State of South Carolina

Year	Personal Income as of June 30 (a)	Population at July 1 (b)	Per Capita Income (c)	Average Annual Unemployment Rate (d)
2020	247,867,336,080	5,218,040	\$47,502	6.2%
2019	233,308,826,196	5,148,714	45,314	2.8%
2018	217,275,251,000	5,084,127	42,736	3.4%
2017	203,087,627,000	5,024,369	40,421	4.3%
2016	198,762,651,000	4,987,575	39,852	4.8%
2015	186,285,746,000	4,869,991	38,252	6.0%
2014	178,485,001,000	4,832,482	36,934	6.6%
2013	169,282,713,000	4,774,839	35,453	7.6%
2012	161,595,079,000	4,723,723	35,056	9.1%
2011	159,747,330,000	4,673,348	34,183	10.3%

(a) Source: U.S. Board of Economic Analysis

(b) Source: U.S. Board of Economic Analysis

(c) Source: U.S. Board of Economic Analysis

(d) Source: U.S. Department of Labor

TEN LARGEST EMPLOYERS

State of South Carolina

Latest Completed Calendar Year and Ten Years Prior

(Listed Alphabetically)

2020	2010
BMW Manufacturing Corp.	Bi-Lo, Inc.
Department of Defense	Blue Cross Blue Shield of South Carolina
School District of Greenville County	Department of Defense
Michelin North America, Inc.	Greenville Health System
PRISMA Health Midlands	Michelin North America, Inc.
University of South Carolina	Palmetto Health
Spartanburg Regional Medical Center	School District of Greenville County
Amazon.com Services Inc.	University of South Carolina
Food Lion LLC	U.S. Postal Service
Walmart Associates, Inc.	Walmart Associates, Inc.

Note: Due to confidentiality issues, the number of employees for each company is not available, and the employers are listed alphabetically rather than in order of size.

Source: South Carolina Department of Employment and Workforce for 2010 and 2020



***Supplementary Information
to the Financial Statements
(unaudited)***

CLEMSON UNIVERSITY
SCHEDULE OF PLEDGED NET REVENUES
AUXILIARY REVENUE BONDS (SERIES 2015 and 2015B)

For the year ended June 30, 2021

Description	Dining Services	Vending Operations	Bookstore	Parking Services	Housing	Total
Revenues:						
Student meal plans	\$ 19,976,814	\$ —	\$ —	\$ —	\$ —	\$ 19,976,814
Other	785,913	25,005	—	2,121	43,629	856,668
Residence halls	—	—	—	—	41,016,629	41,016,629
Campus vending machines	—	2,130	—	—	—	2,130
ATM rental	—	75,753	—	3,169	—	78,922
Contract revenue	221,244	—	1,231,862	109,121	—	1,562,227
Parking permits	—	—	—	2,077,436	—	2,077,436
Transit fees	—	—	—	1,267,181	—	1,267,181
Parking citations	—	—	—	406,520	—	406,520
Meter revenue	—	—	—	300,630	—	300,630
Investment income	68,397	—	8,788	10,388	153,341	240,914
Total revenues	<u>21,052,368</u>	<u>102,888</u>	<u>1,240,650</u>	<u>4,176,566</u>	<u>41,213,599</u>	<u>67,786,071</u>
Expenses:						
Salaries	388,569	—	57,194	978,276	7,212,723	8,636,762
Fringe benefits	174,747	—	25,718	443,060	2,732,633	3,376,158
Travel	2,995	—	—	—	7,926	10,921
Contractual services	14,021,154	—	3,434	2,246,865	1,128,096	17,399,549
Repairs	412,616	34	—	115,049	899,450	1,427,149
Telecommunications	—	—	—	11,095	113,596	124,691
Heat, light, and power	199,154	—	1,978	4,527	260,843	466,502
Water, sewer and garbage	216,047	—	1,009	48,088	645,013	910,157
Rents	24,801	—	—	35,378	11,639	71,818
Supplies and materials	117,986	—	—	29,139	934,398	1,081,523
Insurance	25,420	418	—	37,275	432,777	495,890
Other operating expenses	243,586	—	91	371,560	1,914,543	2,529,780
Capital outlay	68,876	—	—	—	48,659	117,535
Total expenses	<u>15,895,951</u>	<u>452</u>	<u>89,424</u>	<u>4,320,312</u>	<u>16,342,296</u>	<u>36,648,435</u>
Net revenues	<u>\$ 5,156,417</u>	<u>\$ 102,436</u>	<u>\$ 1,151,226</u>	<u>\$ (143,746)</u>	<u>\$ 24,871,303</u>	<u>\$ 31,137,636</u>

CLEMSON UNIVERSITY

SCHEDULE OF PLEDGED NET REVENUES ATHLETIC FACILITIES REVENUE BONDS (SERIES 2012, 2014A, 2014B, 2014C, 2015, 2015B and 2018A)

For the year ended June 30, 2021

Description	Football	Basketball	Other Sports	Non Program Specific	Total
Revenues:					
Ticket sales	\$ 5,042,277	\$ 478,715	\$ 504,773	\$ —	\$ 6,025,765
Direct institutional support	2,107,729	525,856	3,426,933	—	6,060,518
Contributions	5,822,075	1,426,414	5,604,595	48,958,725	61,811,809
In kind car leases	66,883	43,684	15,000	38,500	164,067
Media rights - broadcast, television, radio and internet	18,658,288	4,664,572	—	—	23,322,860
NCAA distributions including all tournament revenues	384,536	2,466,264	1,343,709	52,097	4,246,606
Conference distributions including all tournament revenues	7,132,136	411,050	282,410	17,284	7,842,880
Program sales, concessions, novelty sales and parking	191,832	20,411	52,075	42,062	306,380
Royalties, advertisements and sponsorships	960,000	343,000	994,000	7,437,010	9,734,010
Sports camp revenues	279,246	—	—	—	279,246
Endowment and investment income	23,717	28,078	15,577	201,240	268,612
Other revenue	—	—	90,300	135,444	225,744
Bowl revenues	2,143,553	—	—	—	2,143,553
Total revenues	42,812,272	10,408,044	12,329,372	56,882,362	122,432,050
Operating Expenditures:					
Athletic student aid	6,533,923	1,714,134	9,047,105	877,125	18,172,287
Guarantees	450,000	161,000	21,900	—	632,900
Coaching salaries, benefits and bonuses paid by the institution and related entities	15,046,828	4,401,852	5,495,263	—	24,943,943
Support staff/administrative salaries, benefits and bonuses paid by the institution and related entities	7,960,437	1,130,045	947,021	16,480,214	26,517,717
Severance Pay	—	—	40,786	—	40,786
Recruiting	167,222	69,587	60,288	—	297,097
Team travel	2,275,625	778,254	2,275,484	45,131	5,374,494
Equipment, uniforms and supplies	1,414,149	350,385	1,192,461	424,896	3,381,891
Game expenses	2,578,169	412,549	712,039	264,849	3,967,606
Fund raising, marketing and promotion	132,292	55,693	33,814	2,887,596	3,109,395
Sports camp expenses	441,336	—	—	—	441,336
Spirit group expenses	—	—	—	5,114	5,114
Direct facilities, maintenance and rental	2,081,616	718,160	772,978	2,060,483	5,633,237
Medical and insurance expenses	256,818	46,835	331,418	504,303	1,139,374
Dues and membership expenses	6,962	1,441	7,707	—	16,110
Student-Athlete meals (non-travel)	1,846,876	242,489	103,471	502,926	2,695,762
Other operating expenses	4,237,145	486,248	454,906	3,194,443	8,372,742
Bowl expenses	889,091	—	—	—	889,091
Bowl bonuses	1,587,177	—	—	—	1,587,177
Total operating expenditures	47,905,666	10,568,672	21,496,641	27,247,080	107,218,059
Net Revenues	\$ (5,093,394)	\$ (160,628)	\$ (9,167,269)	\$ 29,635,282	\$ 15,213,991

CLEMSON UNIVERSITY REPORTING ENTITY

COMBINED STATEMENT OF NET/FINANCIAL POSITION

For the year ended June 30, 2021

Description	Clemson University	Clemson University Foundation	Clemson University Land Stewardship Foundation	IPTAY	Subtotal	Eliminations	FY21 Total	FY20 Total
Assets:								
<i>Current Assets:</i>								
Cash and cash equivalents	\$ 467,903,814	\$ 69,900,170	\$ 4,164,576	\$ 13,377,616	\$ 555,346,176	\$ —	\$ 555,346,176	\$ 409,963,702
<i>Restricted Assets - Current:</i>								
Cash and cash equivalents	227,772,038	—	—	—	227,772,038	—	227,772,038	219,616,650
Accounts receivable	32,032,043	12,511,696	134,357	6,500	44,684,596	(5,573,391)	39,111,205	45,946,146
Grants and contracts receivable	30,487,797	—	—	—	30,487,797	—	30,487,797	24,820,370
Contributions receivable, net	1,283,656	—	—	32,224,901	33,508,557	—	33,508,557	26,407,784
Interest and income receivable	2,389,818	—	—	—	2,389,818	—	2,389,818	2,939,129
Student loans receivable	3,382	—	—	—	3,382	—	3,382	3,382
Notes receivable	—	—	—	—	—	—	—	—
Inventories	2,150,911	—	—	—	2,150,911	—	2,150,911	2,417,897
Prepaid items	8,213,541	—	—	—	8,213,541	—	8,213,541	8,963,862
Other current assets	79,024	—	—	—	79,024	—	79,024	1,986,705
Total current assets	772,316,024	82,411,866	4,298,933	45,609,017	904,635,840	(5,573,391)	899,062,449	743,065,627
<i>Noncurrent Assets:</i>								
Notes receivable	\$ 251,458,368	251,138,535	—	—	502,596,903	(251,138,535)	251,458,368	201,271,023
Lease obligation receivable	—	—	9,595,083	—	9,595,083	(10,169,491)	(574,408)	(574,408)
Contributions receivable, net	2,320,111	79,487,188	—	—	81,807,299	(99,027,120)	(17,219,821)	(46,390,545)
Investments	5,120,618	814,897,201	89,869,126	81,202,008	991,088,953	(23,790,939)	967,298,014	719,446,454
Cash surrender value of life insurance	—	2,608,902	—	—	2,608,902	—	2,608,902	2,264,151
<i>Restricted Assets - Noncurrent</i>								
Cash and cash equivalents	2,212,363	—	—	—	2,212,363	—	2,212,363	2,169,412
Student loans receivable	3,938,916	—	—	—	3,938,916	—	3,938,916	4,958,056
Other assets	—	1,210,475	690,097	—	1,900,572	—	1,900,572	1,055,354
Real estate held for resale	—	11,900	11,698,508	—	11,710,408	—	11,710,408	11,938,495
Capital assets, not being depreciated	136,794,280	—	—	—	136,794,280	—	136,794,280	204,660,946
Capital assets, net of accumulated depreciation	1,318,450,583	9,184,396	—	—	1,327,634,979	—	1,327,634,979	1,266,031,204
Total noncurrent assets	1,720,295,239	1,158,538,597	111,852,814	81,202,008	3,071,888,658	(384,126,085)	2,687,762,573	2,366,830,142
Total assets	2,492,611,263	1,240,950,463	116,151,747	126,811,025	3,976,524,498	(389,699,476)	3,586,825,022	3,109,895,769

Description	Clemson University	Clemson University Foundation	Clemson University Land Stewardship Foundation	IPTAY	Subtotal	Eliminations	FY21 Total	FY20 Total
Deferred outflows of resources:								
Deferred losses on bond refunding	3,682,888	—	—	—	3,682,888	—	3,682,888	4,133,947
Deferred outflows on net pension liability	140,317,926	—	—	—	140,317,926	—	140,317,926	98,703,456
Deferred outflows on net retiree health benefits liability	183,190,594	—	—	—	183,190,594	—	183,190,594	95,374,753
Total deferred outflows of resources	327,191,408	—	—	—	327,191,408	—	327,191,408	198,212,156
Total assets and deferred outflows of resources	\$2,819,802,671	\$1,240,950,463	\$ 116,151,747	\$ 126,811,025	\$4,303,715,906	\$(389,699,476)	\$3,914,016,430	\$3,308,107,925
Liabilities:								
<i>Current Liabilities</i>								
Accounts and retainages payable	\$ 20,328,611	\$ 1,949,462	\$ 227,148	\$ 4,237,976	\$ 26,743,197	\$ (4,640,919)	\$ 22,102,278	\$ 30,792,904
Accrued payroll and related liabilities	33,451,553	—	—	—	33,451,553	—	33,451,553	25,171,902
Accrued compensated absences and related liabilities	17,177,593	—	—	—	17,177,593	—	17,177,593	15,487,250
Accrued interest payable	4,246,313	—	50,241	—	4,296,554	—	4,296,554	4,408,467
Unearned revenues	55,022,945	—	126,034	—	55,148,979	—	55,148,979	49,759,248
Bonds payable	25,105,040	—	—	—	25,105,040	—	25,105,040	24,054,543
Capital leases payable	988,096	—	—	—	988,096	(574,408)	413,688	359,073
Deposits	4,791,572	—	—	—	4,791,572	—	4,791,572	761,682
Funds held for others	846,063	—	38,657	—	884,720	—	884,720	801,755
Total current liabilities	161,957,786	1,949,462	442,080	4,237,976	168,587,304	(5,215,327)	163,371,977	151,596,824
<i>Noncurrent Liabilities:</i>								
Accrued compensated absences and related liabilities	18,889,407	—	—	—	18,889,407	—	18,889,407	15,955,750
Due to the University	—	251,138,535	—	—	251,138,535	(251,138,535)	—	—
Deposits	7,189,922	—	—	—	7,189,922	—	7,189,922	4,129,185
Funds held for others	4,181,495	99,027,121	24,723,411	—	127,932,027	(123,750,531)	4,181,496	5,184,375
Net pension liability	765,005,756	—	—	—	765,005,756	—	765,005,756	672,314,429
Net retiree health benefits liability	776,737,845	—	—	—	776,737,845	—	776,737,845	646,324,692
Bonds payable	599,404,987	—	—	—	599,404,987	—	599,404,987	616,506,356
Capital leases payable	9,419,649	—	—	—	9,419,649	(9,595,083)	(175,434)	39,497
Notes payable	—	—	43,562,513	5,000,000	48,562,513	—	48,562,513	21,090,538
Annuities payable	—	3,909,010	—	—	3,909,010	—	3,909,010	3,538,601
Total noncurrent liabilities	2,180,829,061	354,074,666	68,285,924	5,000,000	2,608,189,651	(384,484,149)	2,223,705,502	1,985,083,423
Total liabilities	2,342,786,847	356,024,128	68,728,004	9,237,976	2,776,776,955	(389,699,476)	2,387,077,479	2,136,680,247

Description	Clemson University	Clemson University Foundation	Clemson University Land Stewardship Foundation	IPTAY	Subtotal	Eliminations	FY21 Total	FY20 Total
Deferred inflows of resources:								
Deferred inflows on net pension liability	2,929,915	—	—	—	2,929,915	—	2,929,915	4,924,649
Deferred inflows on net retiree health benefits liability	50,542,639	—	—	—	50,542,639	—	50,542,639	62,033,143
Total deferred inflows of resources	53,472,554	—	—	—	53,472,554	—	53,472,554	66,957,792
Total liabilities and deferred inflows of resources	\$2,396,259,401	\$ 356,024,128	\$ 68,728,004	\$ 9,237,976	\$2,830,249,509	\$(389,699,476)	\$2,440,550,033	\$2,203,638,039
Net Position								
Net investment in capital assets	\$ 824,009,978	\$ 9,184,396	\$ —	\$ —	\$ 833,194,374	\$ —	\$ 833,194,374	\$ 845,991,133
<i>Restricted for non expendable purposes:</i>								
Scholarships and fellowships	59,504,350	—	—	—	59,504,350	—	59,504,350	58,967,333
<i>Restricted for expendable purposes:</i>								
Scholarships and fellowships	29,136,643	822,271,507	—	—	851,408,150	—	851,408,150	632,770,609
Research	(2,960,831)	—	—	—	(2,960,831)	—	(2,960,831)	585,505
Instructional/departmental use	16,475,840	—	—	—	16,475,840	—	16,475,840	15,527,461
Loans	2,269,264	—	—	—	2,269,264	—	2,269,264	2,269,567
Capital projects	188,037,697	—	—	—	188,037,697	—	188,037,697	155,337,633
Debt service	11,545,785	—	—	—	11,545,785	—	11,545,785	12,948,982
Unrestricted	(704,475,456)	53,470,432	47,423,743	117,573,049	(486,008,232)	—	(486,008,232)	(619,928,337)
Total net position	\$ 423,543,270	\$ 884,926,335	\$ 47,423,743	\$ 117,573,049	\$1,473,466,397	\$ —	\$1,473,466,397	\$1,104,469,886

CLEMSON UNIVERSITY REPORTING ENTITY

COMBINED STATEMENT OF REVENUES, EXPENSES, ACTIVITIES AND CHANGES IN NET POSITION

For the year ended June 30, 2021

Description	Clemson University	Clemson University Foundation	Clemson University Land Stewardship Foundation	IPTAY	Subtotal	Eliminations	FY21 Total	FY20 Total
Revenues:								
<i>Operating Revenues:</i>								
Student tuition and fees (net of scholarship allowances of \$117,285,327)	\$ 478,013,851	\$ —	\$ —	\$ —	\$ 478,013,851	\$ —	\$ 478,013,851	\$ 466,846,134
Federal grants and contracts	101,160,105	—	—	—	101,160,105	—	101,160,105	95,748,885
State grants and contracts	87,703,523	—	—	—	87,703,523	—	87,703,523	85,256,061
Local grants and contracts	1,150,939	—	—	—	1,150,939	—	1,150,939	1,155,889
Nongovernmental grants and contracts	11,812,413	—	—	—	11,812,413	—	11,812,413	11,733,331
Sales and services of educational and other activities	18,347,963	—	—	—	18,347,963	—	18,347,963	18,316,984
Sales and services of auxiliary enterprises - pledged for revenue bonds (net of scholarship allowances of \$12,878,305)	104,931,336	—	—	—	104,931,336	—	104,931,336	142,137,170
Sales and services of auxiliary enterprises - not pledged	35,302,431	—	—	—	35,302,431	—	35,302,431	38,529,894
Other operating revenues	29,412,618	1,732,582	5,040,521	—	36,185,721	(1,426,212)	34,759,509	50,510,238
Total operating revenues	867,835,179	1,732,582	5,040,521	—	874,608,282	(1,426,212)	873,182,070	910,234,586
Expenses:								
<i>Operating Expenses:</i>								
Compensation and employee benefits	743,857,430	—	—	—	743,857,430	223,698	744,081,128	710,625,774
Services and supplies	275,873,997	33,646,891	2,316,928	63,996,482	375,834,298	(90,031,120)	285,803,178	328,681,734
Utilities	19,216,851	—	—	—	19,216,851	—	19,216,851	16,656,045
Depreciation	68,023,675	—	—	—	68,023,675	—	68,023,675	66,648,011
Scholarships and fellowships	42,112,014	—	—	—	42,112,014	—	42,112,014	47,700,153
Total operating liabilities	1,149,083,967	33,646,891	2,316,928	63,996,482	1,249,044,268	(89,807,422)	1,159,236,846	1,170,311,717
Operating income/(loss)	(281,248,788)	(31,914,309)	2,723,593	(63,996,482)	(374,435,986)	88,381,210	(286,054,776)	(260,077,131)

Description	Clemson University	Clemson University Foundation	Clemson University Land Stewardship Foundation	IPTAY	Subtotal	Eliminations	FY21 Total	FY20 Total
Nonoperating Revenues (Expenses):								
State appropriations	143,173,821	—	—	—	143,173,821	—	143,173,821	144,250,934
Federal appropriations	13,015,971	—	—	—	13,015,971	—	13,015,971	13,126,453
Gifts and grants	181,437,253	90,280,592	95,741	64,308,455	336,122,041	(87,539,095)	248,582,946	135,557,485
Interest income	6,077	6,956,598	3,294	42,326	7,008,295	—	7,008,295	16,921,167
Endowment income	59,597,281	168,978,693	15,030,455	18,653,891	262,260,320	—	262,260,320	7,050,688
Interest on capital asset related debt	(21,596,335)	—	(1,272,968)	—	(22,869,303)	—	(22,869,303)	(23,429,101)
Other nonoperating revenues	321,772	—	1,496,394	—	1,818,166	—	1,818,166	499,791
Gain/loss on disposal of capital assets	(197,359)	—	—	—	(197,359)	—	(197,359)	(1,540,595)
Refunds to grantors	(513,424)	—	—	—	(513,424)	—	(513,424)	(491,460)
Facilities and administrative remittances to the State	(292,132)	—	—	—	(292,132)	—	(292,132)	(269,279)
Net nonoperating revenues	374,952,925	266,215,883	15,352,916	83,004,672	739,526,396	(87,539,095)	651,987,301	291,676,083
Income before other revenues, expenses, gains or losses	93,704,137	234,301,574	18,076,509	19,008,190	365,090,410	842,115	365,932,525	31,598,952
State capital appropriations	—	—	—	—	—	—	—	10,900,272
Capital grants and gifts	3,155,493	—	—	—	3,155,493	(169,200)	2,986,293	4,411,844
Intra-entity contributions	—	672,915	—	(4,920)	667,995	(672,915)	(4,920)	30,720
Additions to permanent endowments	82,613	—	—	—	82,613	—	82,613	90,344
Increase in net position	96,942,243	234,974,489	18,076,509	19,003,270	368,996,511	—	368,996,511	47,032,132
Net Position:								
Net position, beginning of year as originally stated	326,601,027	649,951,846	29,347,234	98,569,779	1,104,469,886	—	1,104,469,886	1,057,437,754
Restatement	—	—	—	—	—	—	—	—
Net position, beginning of year as restated	326,601,027	649,951,846	29,347,234	98,569,779	1,104,469,886	—	1,104,469,886	1,057,437,754
Net position, end of year	\$ 423,543,270	\$ 884,926,335	\$ 47,423,743	\$ 117,573,049	\$1,473,466,397	\$ —	\$1,473,466,397	\$1,104,469,886

**This Annual Comprehensive Financial Report is also available
on the Clemson University Controller's Office website located at
<http://www.clemson.edu/finance/controller/annualreports>**

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