

UNIVERSITY OF SOUTH CAROLINA – BEAUFORT

**Department of Athletics
Statement of Revenues and Expenses**

**Independent Accountants' Report on
Applying National Collegiate Athletic Association
Agreed-Upon Procedures**

Year Ended June 30, 2025



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**UNIVERSITY OF SOUTH CAROLINA – BEAUFORT
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INDEPENDENT ACCOUNTANTS' REPORT

The Audit, Compliance and Risk Committee
University of South Carolina – Beaufort
Bluffton, South Carolina

We have performed the procedures enumerated below on the accompanying Statement of Revenues and Expenses (the Statement) of the Department of Athletics of the University of South Carolina – Beaufort (the Department) for the year ended June 30, 2025. The Department is responsible for the Statement and compliance with the National Collegiate Athletic Association (NCAA) Bylaw 7.3.1.5.22.1 for the year ended June 30, 2025.

Management of the Department and NCAA have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of applying procedures and reporting associated findings related to the Department's compliance with the NCAA Bylaw 7.3.1.5.22.1 for the year ended June 30, 2025. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Per your instructions, this report includes only those exceptions exceeding \$100,000 unless otherwise specified below. The procedures and the associated findings are as follows:

Agreed-Upon Procedures Related to the Statement of Revenues and Expenses

If a specific reporting category is less than 4.0% of the total revenues or expenses, no procedures are required for that specific category.

A. Procedures Related to Operating Revenue

We obtained the Statement for the year ended June 30, 2025, as prepared by Department management. We recalculated the additional amounts in each column without exception and compared the amounts in each line of the Statement to supporting lead schedules prepared by the Department's management and to the Department's general ledger.

For each major revenue account over 10% of the total revenues, we compared actual revenue for the year ended June 30, 2025, per the Statement by line item to revenue per the Statement for the year ended June 30, 2024. We were unable to compare the actual revenue to the budgeted revenue for the year ended June 30, 2025, because the University's budget process does not have a budget that correlates to NCAA categories. For the major revenue accounts, we identified variances exceeding 10% of the prior year amount for each line item and discussed the reasons for the variances with the Director of Finance of the Department (the Director). No additional procedures were performed with respect to management's representations as to the reasons for the variances.

Current Year to Prior Year Revenues:

Direct Institutional Support – Increase of \$646,680 or (56.9%): This increase is due to athletics being provided with additional institutional support in FY25 for operating expenses.

Indirect Institutional Support – Increase of \$1,500,675 or (100%): This increase is due to athletics being provided with additional tuition abatements to entice better athletes. This increase is not a true increase as prior year NCAA categories were reported incorrectly. Part of prior year was incorrectly categorized as athletic student aid when it should've been indirect institutional support since abatements are not directly charged to athletics.

Ticket Sales

1. For ticket sales revenue, compare tickets sold during the reporting period, complimentary tickets provided during the reporting period and unsold tickets to the related revenue reported by the Department in the Statement and the related attendance figures and recalculated totals. Select 5 days of ticket sales and agree the information on the ticket office report to the deposit slip and credit card settlement report. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Direct State or Other Governmental Support

2. For direct state or other governmental support, we compared support recorded by the Department during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation and recalculated totals. We selected 5 cash receipts to vouch to University bank deposits. No exceptions noted.

Student Fees

3. For student fees, we compared and agreed student fees reported by the Department in the Statement for the reporting period to student enrollments during the same reporting period and recalculated totals. Obtained documentation of the Department's methodology for allocating student fees to intercollegiate athletics programs. If the athletics department is reporting that student fees should be countable as generated revenue, recalculated the totals of their methodology for supporting that they are able to count each sport. Tied the calculation to supporting documents such as seat manifests, ticket sales reports and student fee totals. No exceptions noted.

Direct Institutional Support

4. For direct institutional support, we obtained a schedule of direct institutional support revenue from Department management, compared the direct institutional support recorded by the Department during the reporting period with the institutional supporting budget transfers documentation and other supporting documentation and recalculated totals. No exceptions noted.

Transfers Back to Institution

5. For transfers back to the Department, compare transfers back to the institution with permanent transfers back to institution from the athletics department and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Indirect Institutional Support (6 & 6A)

6. For indirect institutional support, we obtained a schedule of revenue from Department management, recalculated the totals in the schedule without exception and compared all amounts to the Statement. We compared the indirect institutional support recorded by the institution during the period with expense payments, cost allocation detail and other corroborative supporting documentation and recalculated totals. We selected 5 underlying transactions within the schedule and agree to the related invoice. No exceptions noted.

Guarantees

7. For guarantee revenue, obtain a schedule of revenue from Department management, recalculate the totals in the schedule without exception, and compare the amounts to the Statement. Select a sample of 5 settlement reports for away games during the reporting period and agree each selection to the institution's general ledger and/or the statement and recalculate totals. Select a sample of 5 contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period and compare and agree each selection to the general ledger and/or the statement and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Contributions

8. For any contributions of moneys, goods, services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency or group of individuals (two or more) not included above (e.g., contributions by corporate sponsors) that constitutes 10% or more in aggregate for the reporting year of all contributions received for intercollegiate athletics during the reporting periods, obtain and review supporting documentation for each contribution and recalculate totals. No exceptions noted.

In-Kind

9. For in-kind revenue, compare revenue recorded by the institution during the reporting period with a schedule of in-kind donations and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Compensation and Benefits Provided by a Third Party

10. For compensation and benefits provided by a third-party, we obtained the summary of revenues from affiliated and outside organizations (the Summary) as of the end of the reporting period from the department and select a sample of funds from the Summary and compare and agree each selection to supporting documentation, the institution's general ledger and/or the Summary and recalculated totals. If the third party was audited by independent auditors, obtain the related independent auditors' report. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Media Rights

11. For media rights, select and inspect 5 agreements to understand the University's total media (broadcast, television, radio) rights received by the University or through their conference offices as reported in the Statement. Select 5 cash receipts to trace to supporting checks and deposits, and recalculated payment from contract. Compare and agree the media right revenues to a summary statement of all media rights identified, if applicable, and the institution's general ledger and recalculated totals. Ledger totals may be different for total conference distributions if media rights are not broken out separately. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

NCAA Distributions and NCAA Host Revenue Settlements (12A-12C)

12. For NCAA distributions revenue, obtain a schedule of revenue from Department management and recalculate the totals in the schedule. Compare the total from the schedule of NCAA distributions to the general ledger and Statement and determine such amounts to be in agreement. Select 5 NCAA distributions from the schedule, compare the amount recorded to the amount shown in the University's bank statement and to the settlement statement and determine such amounts to be in agreement. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Conference Distributions and Conference Distributions of Post-Season Generated Revenue (13 and 13A)

13. For conference distributions and conference distributions of football bowl generated revenue, obtain a schedule of revenue from Department management and recalculate the totals in the schedule. Compare the total from the schedule of conference distributions to the general ledger and the Statement and determine such amounts to be in agreement. Select 5 conference distributions from the schedule, obtain and inspect agreements related to the distributions for relevant terms and conditions, compared the amount recorded to the amount shown in the University's bank statement and to the settlement statement and determine such amounts to be in agreement. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Program Sales, Concessions, Novelty Sales, and Parking

14. For program sales, concessions, novelty sales, and parking revenue, obtain a schedule of revenue from Department management, recalculate the totals in the schedule and compare the totals with the amounts reported in the general ledger and the Statement. Select 5 events from the schedule and agree the settlement amount to the invoice and agree the payment to a copy of the check. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Royalties, Licensing, Advertisements, and Sponsorships

15. For royalties, licensing, advertisements, and sponsorship revenue, obtain a schedule of revenue from Department management, recalculate the totals in the schedule without exception, and compare the totals with the amounts reported in the general ledger and the Statement. Select 5 items from the schedule, obtain and inspect the related contract from Department management for relevant terms and compared the amount in the contract to the amount on the schedule. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Sports Camp Revenues

16. For sports camp revenues, obtain a schedule of revenues from Department management, recalculate the total, and compare the total per the schedule to the amount in the general ledger and the Statement. Inspect a sample of 5 sports-camp contracts between the institution and persons conducting institutional sports- camps or clinics during the reporting period to obtain documentation of the institution's methodology for recording revenues from sports-camps. Obtain a schedule of camp participants and select a sample of 5 participant cash receipts from the schedule of sports camp participants and agree each selection to the related check copy, University bank deposit and the institution's general ledger and schedule. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Athletics Restricted Endowment and Investment Income

17. For athletics endowment and investment income, obtain a schedule of revenue from Department management and compare the total per the schedule to the amount in the Statement. Select, obtain and inspect 5 endowments for relevant terms and conditions. Compare and agree the classification and use of endowment and investment income reported in the Statement during the reporting period to the uses of income deferred within the related and selected endowment agreement and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Other Operating Revenues

18. For other operating revenue, obtain a schedule of revenue from Department management, recalculate the total, and compare the total per the schedule to the amount on the Statement. Select 5 transactions and compare the amount per the schedule to supporting documentation and a copy of the check. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

Post-Season Football expense Reimbursements

19. For post-season football expense reimbursements, obtain and inspect agreements related to the institution's revenues from post-season football bowl participation during the reporting period to gain an understanding of the relevant terms and conditions. Compare and agree the related revenues to the University's general ledger, and/or the Statement and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

B. Procedures Related to Operating Expenses

We obtained the Statement for the year ended June 30, 2025, as prepared by Department management. We recalculated the addition of the amounts in each column without exception and compared the amounts in each line of the Statement to supporting lead schedules prepared by the Department and to the University's general ledger.

For each major expense account over 10% of the total expenses, we compared actual expenses for the year ended June 30, 2025, per the Statement by line item to actual expenses per the Statement for the year ended June 30, 2024. We were unable to compare the actual expense to the budgeted expense for the year ended June 30, 2025, because the University's budget process does not have a budget that correlates to NCAA categories. For the major expense accounts, we identified variances exceeding 10% of the prior year amount for each line item and discussed the reasons for the variances with the Director. No additional procedures were performed with respect to management's representations as to the reasons for the variances.

Current Year to Prior Year Expenses:

Athletic Student Aid– Decrease of \$578,323 or (41.9%): The decrease is not a true decrease. Part of the prior year was incorrectly categorized as athletic student aid when it should've been categorized as indirect institutional support since abatements are not directly charged to athletics.

Team Travel – Increase of \$182,329 or (65.7%): The increase was due to an increase in away games in FY25.

Indirect Institutional Support – Increase of \$1,500,675 or (100%): This increase is due to athletics being provided with additional tuition abatements to entice better athletes. This increase is not a true increase as prior year NCAA categories were reported incorrectly. Part of prior year was incorrectly categorized as athletic student aid when it should've been indirect institutional support since abatements are not directly charged to athletics.

Athletic Student Aid

20. For athletic student aid expense, we obtained a listing of institutional student aid recipients during the reporting period from the University's management, recalculated the total aid received without exception, and compared the total from the listing to the athletics student aid expense in the Statement.

- a. Using the criteria below, we selected a sample of student-athletes receiving athletic aid during the reporting period. Data should be captured by the institution through the creation of a squad/eligibility list for each sport sponsored. No exceptions noted.
 - If using the NCAA's Compliance Assistant (CA) application, select 10% of the total student-athletes with a maximum sample size of 40.
 - If using a compliance application other than the NCAA's CA application, select 20% of total student-athletes with a maximum sample size of 60).
- b. Obtained individual student-athlete account details for each selection. Reconciled the total athletic aid reported by the institution to the student-athlete's account detail reported in CA or the institution report that reconciles to the NCAA Membership Financial Reporting System.
- c. Recalculated totals for each sport and overall.

Guarantees

21. For guarantees expense, obtain a schedule of expenses from the University's management, recalculate the total per the schedule without exception, and compare the amount to the Statement. Obtain and inspect a sample of 5 away-game settlement reports received by the institution during the reporting period and agree related expenses to the institution's general ledger and Statement and recalculate totals. Obtain and inspect a sample of 5 contractual agreements pertaining to expenses recorded by the institution from guaranteed contests during the reporting period. Compare and agree related amounts expensed by the institution to the institution's general ledger and Statement and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities

22. For coaching salaries, benefits, and bonuses paid by the University and related entities, we obtained a listing of coaches and their related salaries, benefits, and bonuses from Department management. We recalculated the total salaries and bonuses per the listing without exception and compared the amounts to the Statement. We selected a sample of 5 coaches (that included football, and men's and women's basketball) and compared the amount of salaries, benefits, and bonuses from the listing to each coach's contract. We obtained and inspected the payroll summary registers for the reporting year for each selection. We compared and agreed payroll summary registers from the reporting period to the related coaching salaries, benefits and bonuses paid by the institution and related entities expense recorded by the institution in the statement during the reporting period. We compared and agreed the totals recorded to any employment contracts executed for the sample selected and recalculated totals. No exceptions noted.

Coaching Salaries, Benefits, and Bonuses Paid by a Third-Party

23. For coaching salaries, benefits, and bonuses paid by a third party, obtain and inspect a listing of coaches employed by third parties during the reporting period. Select a sample of 5 coaches' contracts from the listing. Compare and agree the financial terms and conditions of each selection to the related coaching other compensation and benefits paid by a third party and recorded by the institution in the Statement during the reporting period. Obtain and inspect reporting period payroll summary registers for each selection. Compare and agree related payroll summary register to the coaching other compensation and benefits paid by third-party expenses recorded by the institution in the Statement during the reporting period and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Support Staff/Administrative Compensation, Benefits, and Bonuses Paid by the University and Related Entities

24. For support staff/administrative compensation, benefits, and bonuses paid by the University and related entities, we obtained a listing of support staff/administrative personnel and their related salaries and benefits from Department management. We recalculated the total salaries and benefits without exception and compared the amounts to the Statement. We selected a sample of 5 personnel. We obtained and inspected the reporting period summary payroll register for each selection. We compared and agreed the related summary payroll register to the related support staff administrative salaries, benefits and bonuses paid by the institution and related entities expense recorded by the institution in the Statement during the reporting period and recalculated totals. No exceptions noted.

Support Staff/Administrative Compensation, Benefits and Bonuses Paid by a Third-Party

25. For support staff/administrative compensation, benefits, and bonuses paid by a third party, obtain a listing of support staff/administrative personnel and their related salaries and benefits from Department management. Recalculate the total salaries and benefits without exception and compare the amounts to the Statement. Select a sample of 5 personnel. Obtain and inspect the reporting period summary payroll register for each selection. Compare and agree related summary payroll register to the related support staff administrative salaries, benefits and bonuses paid by the institution and related entities expense recorded by the institution in the Statement during the reporting period and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Severance Payments

26. For severance payments, select a sample of five employees receiving severance payments by the institution during the reporting period and agree each severance payment to the related termination letter or employment contract and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Recruiting

27. For recruiting expense, obtain documentation of the University's recruiting expense policies from Department management. Compare the policies to the NCAA-related policies. Obtain a schedule of recruiting expenses from Department management, recalculate the total per the schedule without exception, and compare the amount to the general ledger and the Statement. Select 5 recruiting expenses and compare the amount on the schedule to supporting documentation. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Team Travel

28. For team travel expense, we obtained documentation of the University's team travel policy from Department management. We compared the policy to the institutional- and NCAA-related policies. We obtained a schedule of travel expenses from Department management, recalculated the total per the schedule without exception, and compared the amount to the general ledger and the Statement. We selected a sample of 5 travel expenses and compared the amount on the schedule to supporting documentation. No exceptions noted.

Sports Equipment, Uniforms, and Supplies

29. For sports equipment, uniforms, and supplies expense, obtain a schedule from Department management, recalculate the total per the schedule without exception, and compare the amount to the general ledger and the Statement. Select a sample of 5 equipment, uniforms, and supplies expenses and compare the amount on the schedule to supporting documentation. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Game Expenses

30. For game expenses, obtain a schedule from Department management, recalculate the total per the schedule without exception, and compare the amount to the general ledger and the Statement. Select a sample of 5 game expenses and compare the amount on the schedule to supporting documentation. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Fundraising, Marketing, and Promotion

31. For fundraising, marketing, and promotion expense, obtain a schedule from Department management, recalculate the total per the schedule without exception, and compare the amount to the general ledger and Statement. Select a sample of 5 fundraising, marketing, and promotion expenses and compare the amount on the schedule to supporting documentation. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Sports Camp Expenses

32. For sports camp expenses, obtain a schedule from Department management, recalculate the total per the schedule without exception, and compare the amount to the general ledger and Statement. Select a sample of 5 sports camp expenses and compare the amount on the schedule to supporting documentation. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Spirit Groups

33. For spirit groups' expenses, obtain a schedule from Department management, recalculate the total per the schedule without exception, and compare the amount to the general ledger and Statement. Select a sample of 5 spirit groups' expenses and compare the amount on the schedule to supporting documentation. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Athletic Facility Debt Service, Leases and Rental Fees

34. For athletic facility debt service, leases and rental fees, obtain a listing of debt service schedules, lease payments and rental fees for athletics facilities for the reporting year. Compare a sample of 5 facility payments including the top two highest facility payments to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements). Compare amounts recorded to amounts listed in the general ledger detail and recalculated totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Direct Overhead and Administrative Expenses, Facilities Maintenance and Operations (35 and 35A)

35. For direct overhead and administrative expenses, obtain the general ledger detail for all expenses and agree it to the schedule and recalculate the total per the schedule without exception and compare the amount to the Statement. Select 5 transactions on which to perform procedures, obtain the supporting invoice, and compare amounts and other information. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Indirect Institutional Support

36. Procedures were performed on indirect institutional support within the revenue section – indirect institutional support. No exceptions noted.

Medical Expenses and Medical Insurance

37. For medical expenses and medical insurance, obtain the general ledger detail for all expenses and agree it to the lead schedule and recalculate totals without exception, and compare the amount to the Statement. Select 5 medical insurance and medical expenses on which to perform procedures, obtain the supporting invoice, and compare amounts and other information. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Memberships and Dues

38. For membership and dues expenses, obtain the general ledger detail for all expenses and agree it to the schedule and recalculate totals without exception, and compare the amount to the Statement. Select 5 memberships and dues expenses on which to perform procedures, obtain the supporting invoice, and compare amounts and other information. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Student-Athlete Meals (Non-Travel)

39. For student-athlete meals (non-travel) expenses, obtain the general ledger detail and compare to the total expenses reported. Select a sample of 5 transactions and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Other Operating Expenses

40. For other operating expenses, obtain the general ledger detail from Department management, recalculate the total per the schedule, and compare the amount to the Statement. Select a sample of 5 other operating expenses and obtain the supporting invoice and compare the amount on the schedule to supporting documentation. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Post-Season Football Expenses (41, 41A and 41B)

41. For post-season football expenses, obtain the general ledger and compare to the total expenses reported. Select a sample of 5 transactions and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Post-Season Non-Football Expenses (42, 42A and 42B)

42. For post-season non-football expenses, obtain the general ledger detail and compare to the total expenses reported. Select a sample of transactions to validate existence of transaction and accuracy of recording and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Enhanced Educational Expenses (Alston or other)

43. For enhanced educational expenses, obtain the general ledger detail and compare to the total expenses reported. Select a sample of transactions to validate existence of transaction accuracy of recording and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Institutional NIL Revenue Share

44. For institutional NIL revenue share, obtain the general ledger detail and compare to the total settlement-related cash benefit expenses reported for student-athletes and/or athlete-athletes' families. Select a sample of transactions to validate existence of transaction and accuracy of recording and recalculate totals. However, do not include additional scholarships or enhanced educational benefits. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

Note: The numbering follows the NCAA Agreed Upon Procedures which do not utilize 45-49.

B. Minimum Agreed Upon Procedures Program for Other Reporting Items

Excess Transfers to Institution

50. For excess transfers to institution, obtain the general ledger detail and compare to the total expenses reported. Select a sample of 5 transactions. As no related expenses were reported, this procedure was not performed.

Conference Realignment Expenses

51. For conference realignment expenses, obtain the general ledger detail and compare to the total expenses reported. Select a sample of 5 transactions to validate existence of transaction and accuracy of recording and recalculate totals. As no related expenses were reported, this procedure was not performed.

Total Athletics Related Debt

52. For total athletics related debt, obtain repayment schedules for all outstanding intercollegiate athletics debt during the reporting period. Recalculate annual maturities (consisting of principal and interest) provided in the schedules obtained. Agree the total annual maturities and total outstanding athletic related to supporting documentation and the institution's general ledger, as applicable. As no related expenses were reported, this procedure was not performed.

Total Institutional Debt

53. For total institutional debt, we agreed the total outstanding institutional debt to supporting documentation and the institution's audited financial statements. No exceptions noted.

Value of Athletics Dedicated Endowment

54. For the value of athletics dedicated endowments, obtain a schedule of all athletics dedicated endowments maintained by athletics, the institution, and affiliated organizations. We agreed the fair market value in the schedule to supporting documentation, the general ledger and audited financial statements, if available. No exceptions noted.

Value of Institutional Endowments

55. For the value of institutional endowments, we agreed the total fair market value of institutional endowments to supporting documentation, the institution's general ledger. No exceptions noted.

Total Athletics Related Capital Expenditures

56. For total athletics related capital expenditures, we obtained a schedule of athletics related capital expenditures made by athletics, the institution, and affiliated organizations during the reporting period. We obtained general ledger detail and compared to the total expenses reported. We selected the only sample of 1 transaction and recalculated totals. No exceptions noted.

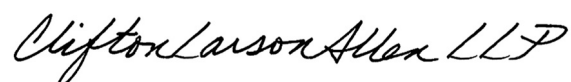
Athletics Related Affiliated or Outside Organizations

57. For athletics related affiliated or outside organizations no procedures were performed as there were no instances of this in FY25.

We were engaged by management of the University of South Carolina – Beaufort to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Statement of Revenues and Expenses of the Department of Athletics of the University of South Carolina – Beaufort for the year ended June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the University of South Carolina – Beaufort and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Audit and Compliance Committee and management of the University of South Carolina – Beaufort and the NCAA and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Charlotte, North Carolina
November 17, 2025

UNIVERSITY OF SOUTH CAROLINA – BEAUFORT DEPARTMENT OF ATHLETICS
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)

	Football	Men's Basketball	Women's Basketball	Other Sports	Nonsports Specific	Total
REVENUES						
Ticket Sales	\$ -	\$ 15,254	\$ 15,809	\$ 58,962	\$ (1,607)	\$ 88,417
Direct State or Other	-	-	-	-	701,579	701,579
Student Fees	-	-	-	-	1,013,207	1,013,207
Direct Institutional Support	-	306,190	266,434	1,212,669	(1,236)	1,784,058
Less: Transfers to Institution	-	-	-	-	-	-
Indirect Institutional Support	-	148,892	128,053	1,158,199	65,531	1,500,675
Indirect Institutional Support - Facility Debt	-	-	-	-	-	-
Service/Lease/Rental	-	-	-	-	-	-
Guarantees	-	-	-	-	-	-
Contributions	-	62,226	66,311	80,857	25,057	234,451
In-Kind	-	-	-	-	-	-
Compensation and Benefits - Third Party	-	-	-	-	-	-
Media Rights	-	-	-	-	-	-
Total NCAA Distributions	-	-	-	-	-	-
NCAA Distributions	-	-	-	-	-	-
NCAA Host Revenue Settlements	-	-	-	-	-	-
Non-Football Post-Season NCAA	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-
Conference Distributions (Non-Media/Non Post-Season)	-	-	-	-	-	-
Conference Distributions - Post-Season	-	-	-	-	-	-
Program, Novelty, Parking, and Concessions	-	-	-	-	-	-
Royalties, Licensing, Advertisement, and Sponsorships	-	-	-	-	48,595	48,595
Sports Camp Revenues	-	-	-	-	-	-
Athletic Endowment and Investment Income	-	-	-	-	-	-
Other Operating Revenue	-	-	175	51	2,502	2,728
Post-Season Football Expense	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-
Total Revenues	-	532,562	476,782	2,510,738	1,853,628	5,373,710
EXPENSES						
Athletic Student Aid	-	-	-	-	802,119	802,118.82
Guarantees	-	-	-	-	-	-
Coaching Compensation - University	-	162,002	146,417	613,734	9,513	931,665.49
Coaching Compensation - 3rd Party	-	-	-	-	-	-
Support Staff/Administrative Compensation - University	-	-	-	-	476,930	476,930.18
Support Staff/Administrative Compensation - 3rd Party	-	-	-	-	-	-
Severance Payments	-	-	-	-	-	-
Recruiting	-	17,105	5,680	12,442	508	35,735.91
Team Travel	-	98,895	66,752	347,524	5,608	518,778.62
Sports Equipment, Uniforms, and Supplies	-	38,989	30,300	97,395	10,785	177,469.66
Game Expenses	-	11,742	15,807	79,456	6,798	113,803.47
Fund Raising, Marketing and Promotion	-	32,875	56,608	31,844	12,372	133,699.19
Sports Camp Expenses	-	-	-	-	-	-
Spirit Groups	-	-	-	-	-	-
Athletic Facilities Debt Service, Leases and Rental Fee	-	-	198	4,529	16,369	21,095.46
Direct Overhead and Administrative Expenses	-	1,575	1,575	12,649	34,595	50,394.48
Facilities Maintenance and Operations	-	-	-	14,074	466	14,539.51
Indirect Institutional Support	-	148,892	128,053	1,158,199	65,531	1,500,675.47
Medical Expenses and Insurance	-	750	-	2,272	143,280	146,301.93
Memberships and Dues	-	935	251	2,805	66,377	70,368.60
Student-Athlete Meals (Non-Travel)	-	-	-	-	-	-
Other Operating Expenses	-	11,337	26,970	14,860	54,609	107,775.85
Football Post-Season Expenses	-	-	-	-	-	-
Football Post-Season Expenses - Coaching Compensation/Bonuses	-	-	-	-	-	-
Football Post-Season Expenses - Hosting	-	-	-	-	-	-
Non-Football Post-Season Expenses	-	-	-	-	-	-
Non-Football Post-Season Expenses - Coaching Compensation/Bonuses	-	-	-	-	-	-
Non-Football Post-Season Expenses - Hosting	-	-	-	-	-	-
Enhanced Educational Benefits	-	-	-	-	-	-
Institutional NIL Revenue Share	-	-	-	-	-	-
Total Expenses	-	525,098	478,612	2,391,782	1,705,861	5,101,353
Excess (Deficiency) of Operating Revenues over Expenses	\$ -	\$ 7,464	\$ (1,830)	\$ 118,956	\$ 147,767	\$ 272,357

UNIVERSITY OF SOUTH CAROLINA – BEAUFORT DEPARTMENT OF ATHLETICS
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The University of South Carolina – Beaufort, Department of Athletics (the Department) is an auxiliary enterprise of the University of South Carolina – Beaufort (the University) and as such is responsible for the Intercollegiate Athletic Program of the University. The Department's transactions are reported in the University's unrestricted current funds in the auxiliary enterprises' subgroup.

Basis of Presentation – The accompanying Statement of Revenues and Expenses (the Statement) presents the recorded amounts of revenues and expenses of Department. It is not intended to be a complete presentation of the revenues and expenses of the University. The Statement has been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses when supplies or services are received.

Indirect costs, including general administrative costs, maintenance, and other related costs, are not allocated because the Department pays explicitly for Department services.

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts that are restricted by the donor are reported as deferred revenue until such time as the restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished).

Student Activity/ Ticket Fees – For the year ended June 30, 2025, the University provided revenue (funding) to the Department for estimated athletic event tickets provided to students. This revenue is calculated by the estimated undergraduate student head count and a guaranteed associated relief payment. The Department recognized student activity/ticket fees of \$1,013,207 for the year ended June 30, 2025.

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

2. NCAA LEGISLATION

In June 1985, the National Collegiate Athletics Association (NCAA) adopted legislation that required all expenses for, or on behalf of, an institution's intercollegiate athletics program, including those by outside organizations, to be included in the Statement of Revenue and Expenses.

In January 1987, the NCAA constitution was amended to exempt from the audit requirement those with operating budgets for intercollegiate athletics of less than \$300,000.

UNIVERSITY OF SOUTH CAROLINA – BEAUFORT DEPARTMENT OF ATHLETICS
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)

2. NCAA LEGISLATION (CONTINUED)

In January 1988, effective January 14, 1988, the constitution was again amended. This amendment removed the audit requirement from the NCAA constitution and incorporated its provision into three separate bylaws, which contain revisions specific to each membership division. In August 2004, the NCAA replaced the financial audit guidelines with a set of agreed-upon procedures.

As a Division II member of the NCAA, the Department is required to have agreed-upon procedures performed on the Statement every three years. NCAA bylaws require all expenses for, or on behalf of, the University's Intercollegiate Athletics Program, including those by outside organizations, to be included on the Statement.

3. CAPITAL ASSETS

Capital assets are recorded at cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. The Department capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of two years and depreciable land improvements, buildings and improvements, and intangible assets costing in excess of \$100,000.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 3 to 60 years for buildings and improvements and land improvements; 2 to 25 years for machinery, equipment, and vehicles; and 3 to 10 years for intangibles. A full month of depreciation is taken the month the asset is placed in service and no depreciation is taken in the month of disposition.

The University capitalized approximately \$6,000 of expenditures related to Department facilities and equipment during the year ended June 30, 2025.

4. LONG-TERM DEBT

The scheduled maturities of the Department's long-term debts are as follows:

Year	Principal	Interest	Total
2026	\$ 173,637	\$ 47,196	\$ 220,833
2027	180,550	39,891	220,441
2028	188,481	32,260	220,741
2029	196,431	24,277	220,708
2030	155,000	15,910	170,910
Thereafter	163,000	8,152	171,152
Total	<u>\$ 1,057,099</u>	<u>\$ 167,686</u>	<u>\$ 1,224,785</u>

UNIVERSITY OF SOUTH CAROLINA – BEAUFORT DEPARTMENT OF ATHLETICS
STATEMENT OF REVENUES AND EXPENSES
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(UNAUDITED)

5. OTHER REPORTING ITEMS

Category	Amount
Excess Transfers to Institution	\$ -
Conference Realignment Expenses	\$ -
Total Athletics - Related Debt (Principal Balance)	\$ -
Total Institutional Debt (Principal Balance)	\$ 1,057,099
Value of Athletics Dedicated Endowments	\$ 233,921
Value of Institutional Endowments	\$ 79,000

