

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Report on Affiliated Organizations  
**Date:** April 8, 2002

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**Recommended Action:**

Receive the reports on the following affiliated organizations:

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| University of Iowa          | <ul style="list-style-type: none"> <li>• Alumni Association</li> <li>• Facilities Corporation</li> <li>• Foundation</li> <li>• Iowa Measurement Research Foundation</li> <li>• Oakdale Research Park</li> <li>• Research Foundation</li> <li>• Student Publications, Inc.</li> </ul> |
| Iowa State University       | <ul style="list-style-type: none"> <li>• Agricultural Foundation</li> <li>• Alumni Association</li> <li>• Foundation</li> <li>• Iowa 4-H Foundation</li> <li>• Memorial Union</li> <li>• Research Foundation</li> <li>• Research Park</li> </ul>                                     |
| University of Northern Iowa | <ul style="list-style-type: none"> <li>• Alumni Association</li> <li>• Foundation</li> <li>• Research Foundation</li> <li>• Properties Corporation</li> </ul>  |
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**Executive Summary:**

Affiliated organizations are independent entities that provide financial resources for students, programs, facilities, and research; extend outreach services; enrich campus experiences; and comprise a wide variety of special activities and interests.

Periodically, the Board receives reports from the Regent institutions on these affiliated organizations that support the mission of the Regent institutions. Any irregularities or significant issues identified are to be brought to the Board's attention immediately.

The annual reports, financial data, and/or audit information for the identified organizations are summarized in this memorandum.

The independent auditor reports on the financial statements of the affiliated organizations noted that they were presented fairly in all material respects. No irregularities were reported.

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**Strategic Plan:**

The Board's Strategic Plan identifies four key result areas: quality, access, diversity, and accountability. Affiliated organizations support various aspects of the Board's key result areas at the Regent institutions.

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**Background/Analysis:**

Iowa Code §262.9 allows the Board to authorize nonprofit foundations acting solely for the support of institutions governed by the Board to accept and administer trusts deemed by the Board to be beneficial for its institutions.

The Regent Policy Manual §1.10 directs the Regent institutions to report on activities with affiliated organizations.

Each university has an alumni association, a university foundation, and a research foundation. Other affiliated organizations enhance or relate to specific areas of an institution's mission (i.e. the Oakdale Research Park Corporation at SU1 and the Agricultural Foundation and the Iowa 4-H Foundation at ISU.)

Copies of detailed reports are retained in the Board Office.

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**University of Iowa Alumni Association**

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| Background            | <p>The Alumni Association was founded as a nonprofit organization in 1867.</p> <p>It is governed by a 27-volunteer member Board of Directors and has over 45,000 members or approximately 22% of the University's living alumni.</p>  |
| Purpose               | <p>The Association provides alumni record keeping services to the University in exchange for financial support covering the salaries and related benefits of certain personnel and other costs associated with the record keeping, which totaled \$493,596 for FY 2001, as compared to \$495,971 for FY 2000.</p> <p>It dedicates itself to:</p> <ul style="list-style-type: none"><li>• Advancing the cause of education;</li><li>• Promoting and strengthening the University;</li><li>• Providing a comprehensive offering of programs, services, communications, and benefits to its members.</li></ul> |
| Financial Information | <p>The financial audit reported revenue of \$3.0 million and expenses of \$2.8 million, giving the Association a net gain of \$207,562 after taxes for FY 2001.</p> <p>The June 30, 2001, fund balance of \$4.5 million represents a 4.7% increase from FY 2000.</p> <p>Investments consist solely of a pooled fund invested with the University of Iowa Foundation's long-term investment pool and totaled \$6.2 million, fair market value, as of June 30, 2001, compared to \$6.6 million in FY 2000.</p>  |

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**University of Iowa Facilities Corporation**

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| Background            | <p>The Facilities Corporation was incorporated in 1967 as a supporting organization for the University of Iowa Foundation.</p> <p>A Board of Directors, elected by the Board of the SUI Foundation, governs it.</p>  |
| Purpose               | <p>The Corporation assists with the scientific and educational purposes of the University by maintaining, developing, increasing, and extending the facilities and services available to the University.</p> <p>It acquires and holds property for the benefit and use of the University.</p>  |
| FY 2001 Highlights    | <p>The Corporation purchased three properties during the year:</p> <ul style="list-style-type: none"><li>• Two Melrose Place (houses two medical students);</li><li>• 320 Melrose (houses visiting faculty); and</li><li>• 125 Grand Ave (for new faculty).</li></ul> <p>The Corporation anticipates that it may issue approximately \$10 million in bonds to facilitate construction of the Career Services Center.</p> |
| Financial Information | <p>Total income for the year ended June 30, 2001, was \$180,255; total expenses were \$128,047.</p> <p>Total equity on June 30, 2001, was \$866,712.</p>   |

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### **University of Iowa Foundation**

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| Background         | <p>The Foundation was established as a nonprofit organization in 1956.</p> <p>It is governed by a Board of Directors and is located in the privately financed Levitt Center for University Advancement on the University's campus.</p>  |
| Purpose            | <p>The foundation solicits, receives, and administers gifts for the sole benefit of research and education at the University of Iowa.</p>   |
| FY 2001 Highlights | <p>University-Wide Comprehensive Campaign:</p> <ul style="list-style-type: none"><li>• Began six-year campaign to raise \$750 million on January 1, 1999;</li><li>• Public kickoff and announcement in spring of 2002; and</li><li>• Objectives coincide with the University and include:<ul style="list-style-type: none"><li>• Enhancement of the undergraduate experience;</li><li>• Graduate and professional programs of distinction;</li><li>• Distinguished research;</li><li>• Scholarship and artistic creation;</li><li>• Interdisciplinary interaction; and</li><li>• Enrichment of the campus environment.</li></ul></li></ul> <p>Private Gift Results:</p> <ul style="list-style-type: none"><li>• Raised \$172 million in gifts, pledges, and future commitments in</li></ul> |

calendar year 2000;

- Received an exceptional number of significant gifts, including a \$25 million gift to name the Holden Comprehensive Cancer Center; and
- Secured more than \$1 million dollars for the second year in a row through the student Telefund program.

Financial  
Statements

The Foundation manages net assets on behalf of the University, which totaled nearly \$500.0 million as of June 30, 2001. The financial statements reported:

- Net pledges receivable of \$45.0 million for FY 2001, of which \$25.5 million is expected to be collected within the next year;
- Investments of \$584.9 million, a 5.5% increase over the FY 2000 investment balance of \$554.5 million;
- Combined support and revenues for FY 2001 totaling \$94.2 million, expenditures and deductions on behalf of SU1 and affiliates totaling \$38.6 million, and Foundation operating expenses totaling \$17.0 million; and
- An increase in net assets of \$38.6 million for FY 2001.

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### Iowa Measurement Research Foundation

Background

The Research Foundation was established in July of 1972.

It is governed by a Board of Directors whose individuals hold specific offices and positions at the University of Iowa.

Purpose

The purpose of the Foundation is to:

- Advance knowledge in the field of educational testing;
- Enrich the training of research workers in the field; and
- Support the development of measuring instruments of potential value to school personnel.

The Foundation provides:

- Research grants to the University of Iowa College of Education faculty;
- Support for test development and research projects of the Iowa Testing Programs;
- Subsidies for enrichment activities of the graduate measurement program;
- Maintenance of a library for reference materials on testing; and
- Support for activities leading to the dissemination of research findings.

FY 2001  
Highlights

During the year, the Foundation:

- Supported the E.F. Lindquist Professorship and the Paul Blommers Measurement Resources Laboratory;

- Provided funding for salaries of computer personnel and charges for computer time to maintain test data files, and stipends for graduate research assistantships; and
- Provided support for research, development, and dissemination projects of the College of Education and the Iowa Testing Programs.

Over the past 30 years, the Foundation has contributed approximately \$10.4 million to the projects and programs of the University of Iowa.

Financial Statements Net equity at market value was \$21.6 million for the fiscal year ended September 30, 2001, compared with \$25.4 million for the previous fiscal year.

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### **University of Iowa Oakdale Research Park Corporation**

Background The Corporation was established in 1989 as a nonprofit organization.

Purpose Its focus is to build a nucleus of businesses in Iowa to increase the academic vitality of the University and to assist and promote academic research and cooperation between the University and businesses. As such, it:

- Offers leased building sites and space to businesses engaged in basic and developmental research, product development, and light manufacturing linked to research and development activities; and
- Emphasizes pharmaceuticals, industrial biotechnology, health and medical sciences, and computer simulation of complex systems.

FY 2001 Highlights Highlights for the year include:

- An SUI spin-off company, Breakthrough to Literacy, Inc., a leading developer of interactive literacy programs, was in more than 5,000 classrooms and helped over 90,000 children to become skilled readers;
- Local developers began construction of a three-building, \$4 million, 67,000 square-foot project that will welcome NCS Pearson software developers as anchor tenant in FY 2002;
- Iowa Department of Economic Development approved a \$500,000 Advanced Research Commercialization award to the Park, which will be used to construct wet laboratories for technology innovation center biotech incubator companies as part of a Multi-Tenant Facility addition (an overall 30,000 square-foot expansion); and
- The Biocatalysis Division of Albany Molecular Research, Inc. (formerly an SUI spin-off company) celebrated completion of a new \$3.5 million, 10,000 square-foot biotechnology laboratory on the Park.

Financial Information The Park received an FY 2001 operating appropriation of \$233,162 from the State of Iowa and rent income of \$74,762.

Revenue exceeded expenses by \$70,782 in FY 2001. The equity balance as of June 30, 2001, was \$578,160.

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### **University of Iowa Research Foundation**

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|-----------------------|---|
| Background            | The Research Foundation was established in 1975 as a nonprofit corporation and is governed by a Board of Directors.   |
| Purpose               | It manages inventions and intellectual property created at the University.<br><br>The Foundation selectively obtains patents and copyright protection for University inventions and discoveries, as well as licenses to businesses and industry to transfer the results of University research for public use and generate income for education and research. |
| FY 2001 Highlights    | The Research Foundation: <ul style="list-style-type: none"><li>• Received 65 invention disclosures;</li><li>• Filed 73 U.S. patent applications;</li><li>• Received a record 43 issued patents;</li><li>• Executed a record 31 options/licenses; and</li><li>• Reported \$4.5 million in earnings.</li></ul>  |
| Financial Information | Revenues and support, as well as expenses, for the fiscal year ended June 30, 2001, totaled \$5.9 million.<br><br>Equity at year end was \$1.2 million.   |

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### **University of Iowa Student Publications, Inc.**

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|------------|--|
| Background | Student Publications is an educational, nonprofit corporation.<br><br>The Board of Trustees consists of three alumni of the University and <i>The Daily Iowan</i> newsroom, three faculty members, two staff members, and six students.  |
| Purpose    | It runs and manages <i>The Daily Iowan</i> , which: <ul style="list-style-type: none"><li>• Publishes 200 editions per year;</li><li>• Employs 75 students, 15 full-time employees, and 150 carriers;</li><li>• Circulates 20,500 copies during the fall and spring semesters and approximately 12,000 copies during the summer;</li><li>• Boasts over 50,000 readers a day;</li><li>• Serves over 8,000 a day on their web site, half of which are alumni living outside of Iowa; and</li><li>• Gives three full in-state tuition scholarships annually.</li></ul><br><i>The Daily Iowan's</i> goals include: <ul style="list-style-type: none"><li>• Training journalists; and</li><li>• Providing a newspaper for the University of Iowa Community.</li></ul> |

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| FY 2001 Highlights    | <p><i>The Daily Iowan:</i></p> <ul style="list-style-type: none"><li>• Published over 3,500 pages and placed over 15 students in full-time media work after graduation;</li><li>• Won the National Newspaper Pacemaker for the second year in a row (the highest honor in college newspapering);</li><li>• Received 27 of 40 awards given at the Midwest region of the Society of Professional Journalists and reported many awards for individual accomplishments; and</li><li>• Has alumni working in major newspapers throughout the United States and in Iowa.</li></ul> <p><i>The Daily Iowan</i> is currently working on a five-year goal plan, which includes planning for the move into the new School of Journalism in three years.</p> |
| Financial Information | <p>The newspaper had \$2.0 million in revenue, \$2.1 million in operating expenses, and \$1.3 million in net assets for the year ended June 30, 2001.</p>  |

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### **Iowa State University Agricultural Foundation**

|                       |  |
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| Background            | <p>The Agricultural Foundation was established as a nonprofit organization in 1937, under the governance of a Board of Trustees.</p>   |
| Purpose               | <p>It devotes a majority of its resources to:</p> <ul style="list-style-type: none"><li>• Helping young families make a successful entry into farming; and</li><li>• Providing the necessary tools to ensure their long-term stability.</li></ul>  |
| FY 2001 Highlights    | <p>Throughout the year:</p> <ul style="list-style-type: none"><li>• \$53,444 in scholarships were awarded to 97 students;</li><li>• \$9,000 was awarded to student interns;</li><li>• \$2,500 was awarded through a grant to the ISU Agricultural Council to help defray costs for hosting the World Agricultural Council Conclave;</li><li>• \$50,000 in program awards were made to support the Beginning Farmer Program (\$25,000) and the Rural Summit (\$25,000);</li><li>• \$50,000 in loans were approved to support the development of the ISO 9002 Certification program (\$25,000) and the development of an on-line Crop Advisor's Institute Certification program (\$25,000); and</li><li>• \$50,000 was awarded through a grant to the Northwest Iowa Research Farm for purchase of additional farmland, which was also supplemented with a no-interest loan of \$100,000 to be repaid in four equal yearly installments.</li></ul> |
| Financial Information | <p>Foundation funds are invested through the ISU Foundation under an agreement between the two organizations.</p> <p>Foundation equity on June 30, 2001, was \$3.3 million.</p>  |

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## Iowa State University Alumni Association

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| Background            | <p>The Alumni Association was incorporated in 1932 and organized for benevolent, charitable, scientific, and educational purposes.</p> <p>A Board of Directors, consisting of 19 elected members and 8 ex-officio members, governs the Association.</p> <p>It has 41,910 members, including 20,867 lifetime members and 3,106 student members.</p>   |
| Purpose               | <p>The Association promotes the general welfare of Iowa State University by fostering a spirit of loyalty and commitment among its constituents: students, alumni, faculty, staff, and friends.</p>  |
| FY 2001 Highlights    | <p>New Vision Statement – “To become the lifetime partner in engaging all alumni, students, and friends with Iowa State University;”</p> <p>New Mission Statement – “To engage the talents and resources of alumni, students, and friends in the life, work, and aspiration of Iowa State University;”</p> <p>New Strategic Plan – will guide the Association through 2006; goals include:</p> <ul style="list-style-type: none"><li>• Strengthen Membership;</li><li>• Engage Constituents;</li><li>• Develop Strategic Alliances; and</li><li>• Enhance the Health of the Organization;</li></ul> <p>Sponsored athletic-related events:</p> <ul style="list-style-type: none"><li>• Football pre-game events;</li><li>• Travel packages for the Insight.com Bowl Game; and</li><li>• Spirit rallies at the Insight.com Bowl Game, the Big 12 men and women’s basketball tournaments, and also at the NCAA games.</li></ul> |
| Financial Information | <p>The ISU Foundation manages the Association’s investments of \$5.7 million.</p> <p>The Association revenues totaled \$1.9 million, and expenses totaled \$2.6 million for the year.</p> <p>Reported revenues included an allocation of \$174,978 to the Association from Iowa State University to cover certain payroll and operating expenses incurred by the Association for operation and maintenance of an alumni records system.</p> <p>The June 30, 2001, net unrestricted assets were \$2.0 million.</p>  |

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### **Iowa State University Foundation**

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| Background            | The foundation was incorporated in 1968 and is governed by a Board of Directors.   |
| Purpose               | It secures and manages private gifts that support Iowa State University's aspiration to become the nation's best land-grant university as well as connecting individuals to each other and to opportunity.   |
| FY 2001 Highlights    | <p>The Foundation has taken strategic steps to increase private support for Iowa State University, most significantly, by examining and amending its articles of incorporation and bylaws to clarify its relationship with the University and ensure the privacy of donors.</p> <p>The Foundation entered into an agreement to purchase a building that will bring its staff together and enable them to serve donors and the University better.</p> |
| Financial Information | <p>As of June 30, 2001, the Foundation had investments of \$360.0 million.</p> <p>The Foundation's FY 2001 audit reports negative revenues of -\$14.1 million. The substantial decrease is due to investment return losses.</p> <p>The June 30, 2001, combined net assets were \$376.9 million.</p>  |

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### **Iowa State University Iowa 4-H Foundation**

|                       |  |
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| Background            | The Iowa 4-H Foundation was founded as a nonprofit organization in 1949.   |
| Purpose               | <p>It assists Iowa's youth in becoming productive, self-directed, contributing members of society. The Foundation provides financial assistance for 4-H and youth programs, as well as projects for which tax monies are insufficient or ineligible.</p> <p>The Foundation works in partnership with the ISU Extension 4-H Youth Programs, the National 4-H Council, and the ISU Foundation.</p> |
| FY 2001 Highlights    | Foundation recognition opportunities continue to expand, including 70 college scholarships to former 4-H'ers, of which 45 were awarded to students attending Regent universities.  |
| Financial Information | <p>4-H Foundation investments, which are pooled with funds from ISU, had a market value of \$2.6 million as of June 30, 2001.</p> <p>Revenues for FY 2001 totaled \$1.0 million; expenses totaled \$0.9 million.</p> <p>Net assets as of June 30, 2001 totaled \$4.3 million.</p>  |

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## Iowa State Memorial Union

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| Background            | <p>The Union was incorporated as a nonprofit corporation in 1922 as one of the first 100 unions in the United States.</p> <p>It is governed by a Board of Directors and operated on land deeded by the State of Iowa.</p>  |
| Purpose               | <p>The primary mission of the Union is to function as a "University Community Center" by:</p> <ul style="list-style-type: none"><li>• Providing services and amenities;</li><li>• Enhancing the educational process; and</li><li>• Providing social, recreational, and development activities for students, faculty, staff and alumni of Iowa State University.</li></ul>  |
| FY 2001 Highlights    | <p>On an average day:</p> <ul style="list-style-type: none"><li>• Approximately 18,800 persons used the Union facilities;</li><li>• 12,200 various meetings, events, and activities were scheduled by the Union serving 510,000 patrons; and</li><li>• 160,500 students, faculty, and staff were served by 482 programs sponsored by the Student Union Board in conjunction with the Program Department.</li></ul>   |
| Financial Information | <p>Memorial Union Building:</p> <ul style="list-style-type: none"><li>• No state-appropriated funds were used in the construction of the building, nor are any used in the operation of the facility.</li><li>• \$28.90 per student per semester was allocated to the Union from student fee income for operations, debt service, and programming.</li><li>• An additional \$5.26 per student per semester allocation has been put in reserve for renovations.</li></ul> <p>The FY 2001 audit report indicates:</p> <ul style="list-style-type: none"><li>• Investments of \$96,184 and notes payable of \$4.8 million;</li><li>• Combined revenues of \$8.8 million including \$7.3 million from operations, interest, contributions, and other income, and \$1.5 million from the allocation of student fees;</li><li>• Combined expenses of \$9.2 million;</li><li>• A net operating loss of \$396,753; and</li><li>• Total net assets (operating, capital and endowment) on June 30, 2001, of \$6.9 million.</li></ul> |

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## Iowa State University Research Foundation

**Background** The Research Foundation was organized in 1938 to assist in securing protection for intellectual property for the ISU community.

**Purpose** The Foundation provides the mechanism for obtaining and promoting patents, copyrights, trademarks, and licenses for intellectual property developed by faculty, staff, and students at the University.

The ISU Office of Intellectual Property and Technology Transfer (OIPTT), works with the Research Foundation to:

- Solicit inventions from ISU's faculty, staff, and students to facilitate the technology transfer and licensing process;
- Market ISU technologies to industry, seeking patent protection where appropriate; and
- Provide educational services related to intellectual property issues to faculty, staff, and students.

**FY 2001  
Highlights**

During the year:

- 33 patents were issued;
- 208 license and option agreements were executed;
- 33 patent applications were filed; and
- 26 provisional patent applications were submitted.

Current portfolio contains:

- 447 active disclosures;
- 127 patent applications in process;
- 350 active patents; and
- 893 active license and option agreements.

**Financial  
Information**

The Foundation:

- Disbursed \$530,360 to 102 individual inventors;
- Disbursed \$373,110 to five of the University's colleges from royalties; and
- Provided over \$1,000,000 in grants to the University, primarily for research.

Disbursement of research funds directly leveraged as a condition of licenses and options for FY 2001 totaled \$448,109.

For the fiscal year ended June 30, 2001, Foundation revenues were \$4.0 million and expenses were \$3.8 million.

The June 30, 2001, net assets were \$21.0 million.

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### **Iowa State University Research Park**

|                       |   |
|-----------------------|---|
| Background            | The Research Park was incorporated as a nonprofit corporation in 1987.  |
| Purpose               | Its mission is to provide an environment where established technology-related organizations and science and technology entrepreneurial ventures can develop and prosper in Iowa.  |
| FY 2001 Highlights    | The Park: <ul style="list-style-type: none"><li>• Housed 42 companies and centers;</li><li>• Had seven new companies join; and</li><li>• Finished leasing and construction plans for Multi-tenant Building III;</li></ul> |
| Financial Information | The Foundation's support and revenue totaled \$2.1 million for the fiscal year while expenses totaled \$1.7 million.<br><br>Net assets as of June 30, 2001 were \$2.5 million.  |

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### **University of Northern Iowa Alumni Association**

|                       |  |
|-----------------------|--|
| Background            | The UNI Alumni Association was organized in 1879 to promote the interests of the alumni of the Iowa State Normal School.<br><br>It incorporated under the name University of Northern Iowa Alumni Association in 1972.<br><br>A 28-member Board of Directors governs the Association.  |
| Purpose               | The Association advances the cause of education and promotes the welfare of the University of Northern Iowa, its faculty, graduates, students, and former students.  |
| FY 2001 Highlights    | The Association: <ul style="list-style-type: none"><li>• Assisted the University with financial support for scholarships, facilities, and cultural activities for which state funds are not available;</li><li>• Conducted programs to strengthen the University;</li><li>• Coordinated charter clubs and alumni receptions, reunions, and the Heritage Honors Program;</li><li>• Sponsored the Student Alumni Ambassadors;</li><li>• Assisted the University in maintaining a continuing relationship with their students following graduation; and</li><li>• Participated in Community Visitation Days, showcasing the University and its programs to cities around the state.</li></ul> |
| Financial Information | Association revenues for the year totaled \$61,567; expenses totaled \$266,089.<br><br>Net assets were \$680,244 on June 30, 2001.   |

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## University of Northern Iowa Foundation

|                       |  |
|-----------------------|--|
| Background            | <p>The Foundation was formed in 1959 as the official channel through which gifts may be given for the benefit of the University of Northern Iowa.</p> <p>It is governed by a 30-member Board of Trustees and has established two additional nonprofit entities:</p> <ul style="list-style-type: none"><li>• UNI Properties Corporation</li><li>• UNI Research Foundation</li></ul>   |
| Purpose               | <p>The mission of the Foundation is to sustain, grow, and promote the University of Northern Iowa to be the nation's finest comprehensive university, known for high quality learning environments, and a genuine sense of community.</p>  |
| FY 2001 Highlights    | <p>The Foundation:</p> <ul style="list-style-type: none"><li>• Reached approximately \$65 million in Foundation assets;</li><li>• Transferred nearly \$5 million to the University for student scholarships, program support, and capital projects;</li><li>• Raised approximately \$20 million in gifts, pledges, and expectancies for the benefit of the University; and</li><li>• Built and equipped the McElroy Hall, home of the Freeburg Early Childhood Education Program (will serve as a national center for best practices in early developmental education).</li></ul> <p><b>Students First</b> Campaign (Approved in April of 2000 - \$75 million goal):</p> <ul style="list-style-type: none"><li>• Exceeded \$65 million in gifts and pledges;</li><li>• Raised over \$23 million for the Scholarship Endowments component; and</li><li>• Raised approximately \$12 million to date for the facility construction and enhancement component.</li></ul> |
| Financial Information | <p>The audit report includes combined financial statements for:</p> <ul style="list-style-type: none"><li>• UNI Foundation;</li><li>• UNI Properties Corporation; and</li><li>• UNI Research Foundation.</li></ul> <p>For the fiscal year ended June 30, 2001, revenues of \$11.8 million exceeded expenditures of \$7.4 million.</p> <p>The June 30, 2001, combined net assets totaled \$60.8 million.</p>  |

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### University of Northern Iowa Research Foundation

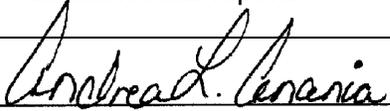
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|-----------------------|--|
| Background            | <p>The Research Foundation was founded in 1997 exclusively for charitable, scientific, and educational purposes.</p> <p>A 12-member Board of Trustees governed this entity, which is a subcorporation of the UNI Foundation.</p>   |
| Purpose               | <p>The Research Foundation authorizes monies for the research and development of prospective patents and other intellectual properties. It works in conjunction with the University of Northern Iowa Intellectual Property Committee.</p> <p>The purposes of the Research Foundation are as follows:</p> <ul style="list-style-type: none"><li>• To advance, develop, increase, and extend the progress of science and useful arts through encouraging and assisting investigation, research, and education at the University of Northern Iowa.</li><li>• To receive by gift, grant, devise, or bequest, and to acquire by purchase, lease, exchange or otherwise, property, both real and personal.</li><li>• To make contributions, grants, gifts and transfers of property, both real and personal, for the benefit of the University of Northern Iowa.</li></ul> |
| FY 2001 Highlights    | <p>The Foundation:</p> <ul style="list-style-type: none"><li>• Holds all University patents, trade secrets, and licensing agreements.</li><li>• Holds interest in two companies.</li></ul>   |
| Financial Information | <p>Financial statements for the Research Foundation are included in the UNI Foundation audit report.</p>   |

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### UNI Properties Corporation

|                       |   |
|-----------------------|---|
| Background            | <p>The corporation was established in 1997 as a subcorporation of the UNI Foundation.</p> <p>A Board of Trustees governs it.</p>  |
| Purpose               | <p>The Corporation holds title to real estate and collects income only during the time between receipt and sale of the real estate.</p> <p>Proceeds from the sale of real estate are distributed to the UNI Foundation according to donor specifications.</p> |
| FY 2001 Highlights    | <p>The Corporation currently holds two retained life estates.</p>   |
| Financial Information | <p>Financial statements for the Properties Corporation are included in the UNI Foundation audit report.</p>   |

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Andrea L. Anania

Approved:   
Gregory S. Nichols