

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Affiliated Organization Reports  
**Date:** June 9, 2003

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**Recommended Action:**

Receive the following affiliated organization reports:

- Committee for Agricultural Development (associated with ISU)
  - Iowa School for the Deaf Foundation
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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.

The Board receives reports from the Regent institutions on these affiliated organizations that support the mission of the Regent institutions. 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. Any irregularities or significant issues identified are to be brought to the Board's attention immediately. No irregularities were reported.

**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:**

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.

Regent Policy Manual §1.09 directs the Regent institutions to report on activities with affiliated organizations.

Copies of detailed reports are retained in the Board Office.

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**Analysis:**


**Committee for Agricultural Development (CAD)**

Background	CAD, an organization affiliated with Iowa State University, was organized in 1943 as a non-profit corporation and is governed by a Board of Directors.
Purpose	CAD exists for scientific and educational purposes to promote the general welfare of agriculture through the production and distribution of superior germ plasm and other products of research. The organization also owns and leases farmland to benefit ISU agricultural research.
2002 Highlights	<p>CAD's assets for 2002 totaled \$7.9 million, of which \$6.1 million is land.</p> <p>In 2002, CAD made the following seed available to certified seed growers: 11,226 bushels of soybeans and 94 MVK units of dent corn (each unit contains 1,000 viable kernels). Funds generated by CAD operations are used for grants-in-aid to ISU research projects. These grants have totaled more than \$1 million dollars over the last 50 years.</p> <p>CAD owns over 3,000 acres of farmland with an estimated market value of \$9.7 million dollars.</p>
Financial Information	<p>The financial audit reported total operating revenue of \$694,000 exceeded operating expenses of \$345,000. The December 31, 2002, net assets of \$6.4 million represent a 4.2% increase over calendar year 2001.</p> <p>The independent auditor reported that the financial statements of the Committee for Agricultural Development for the two fiscal years ended December 31, 2002, were presented fairly in all material respects. No findings were reported.</p>

## Iowa School for the Deaf Foundation

Background	The Iowa School for the Deaf Foundation was organized in 1994 as a nonprofit corporation. It is governed by a volunteer Board of Directors composed of up to nine voting members and three non-voting ex-officio members.
Purpose	It was organized primarily to provide financial support to ISD through the acquisition of gifts, grants, bequests, and other available funding.
FY 2002 Highlights	<p>The ISD Foundation continued to focus on building relationships with individuals during the year since the majority of philanthropic dollars come from this source. The Foundation received its largest single gift of \$100,000 from an individual donor's will.</p> <p>Direct mail, research, and networking continued to provide financial support and prospects.</p>
Financial Information	<p>The audit for the fiscal year ended December 31, 2002, was completed in February 2003 and indicated that the Foundation:</p> <ul style="list-style-type: none"><li>• Collected receipts totaling nearly \$1.5 million, including \$1.3 million for the Capital Campaign;</li><li>• Disbursed over \$2.0 million, mostly for the new multipurpose complex;</li><li>• Reported a fund balance of \$422,432, designated for various purposes: general, alumni, museum, scholarship, and hall of fame; and</li><li>• Had no findings to report.</li></ul>

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Andrea L. Anania

Approved:   
Gregory S. Nichols