

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Affiliated Organization Reports
Date: June 1, 2001

Recommended Action:

Receive the affiliated organization reports on the Committee for Agricultural Development associated with Iowa State University, the Iowa State University Research Park, and the Iowa School for the Deaf Foundation.

Executive Summary:

The Board of Regents' Strategic Plan identifies the following four key result areas: quality, access, diversity, and accountability. There are 21 identified organizations affiliated with the Regent institutions that support aspects of all of these key result areas. Affiliated organizations at the Regent institutions 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.

These organizations are required to provide annual reports to the Board of Regents for docketing within six months following the ends of their fiscal years. However, any irregularities or significant issues identified by auditors are brought to the Board's attention immediately.

The Committee for Agricultural Development, an organization affiliated with Iowa State University, exists for scientific and educational purposes that promote the general welfare of agriculture. The independent auditor reported that the financial statements of the Committee for Agricultural Development for the two fiscal years ended December 31, 2000, were presented fairly in all material respects. No findings were reported.

At the December 2000 meeting, the Board requested that the Iowa State University Research Park (ISURP) be added to the comprehensive listing of organizations affiliated with Regent institutions. ISURP links technology creation, business formation, and development assistance with established firms and the marketplace. ISURP has a fiscal year end of June 30. The June 30, 2000, report has been incorporated into this memorandum. Future reports for the ISU Research Park will be presented yearly in December.

The Iowa School for the Deaf Foundation, with a December 31, 2000, fiscal year end, was organized to provide financial support to ISD through the acquisition of gifts, grants, bequests, and other available funding. This is the third report provided to the Board for this foundation. A volunteer-based Board of Directors conducts the affairs and business of the foundation. The first audit of the foundation began on May 23, 2001.

The financial data for these organizations are summarized in this report. Copies of the detailed information are retained at the Board Office.

Background/Analysis:

Pursuant to Iowa Code §262.9, the Board of Regents may 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 Procedural Guide §1.10 requires that these affiliated organizations submit reports of their activities at least annually to the Board. The Procedural Guide also details Board of Regent memberships on certain boards of directors for affiliated organizations.

On an annual basis, 21 affiliated organization reports are presented to the Board. Seven are affiliated with the University of Iowa, nine with Iowa State University, four with the University of Northern Iowa, and one with the Iowa School for the Deaf. Normally, 17 reports are presented in December, one in March, two in June, and one in September.

Committee for Agricultural Development

The Committee for Agricultural Development (CAD), a non-profit corporation, was organized in 1943 with the approval of the Board of Education (known as the Board of Regents since 1955) under Iowa Code Chapter 504A. Working jointly with Iowa State University researchers, CAD purifies, increases, and distributes seed and germplasm of crop varieties developed by researchers from state experiment stations.

In 2000, CAD made the following seed available to certified seed growers: 31,989 bushels of soybeans; 37 MVK units (each unit contains 1,000 viable kernels) of popcorn; and 98 MVK units of dent corn. Funds generated by CAD operations are used for grants-in-aid to ISU research projects.

The financial audit reported total operating revenue of \$615,000 and operating expenses of \$419,000. The June 30, 2000, net assets of \$6.3 million represent a 4.0% increase over FY 1999. CAD owns over 3,200 acres of farmland with an estimated land value of \$6.0 million dollars.

ISU Research Park

The ISU Research Park (ISURP) is a private, nonprofit corporation that was incorporated on July 14, 1987. ISURP links technology creation, business formation, and development assistance with established technology firms and the marketplace. As of June 30, 2000, 108 companies and research centers have located in or have been affiliates of ISURP. Current and former ISURP tenant companies employ more than 1,500 employees throughout the state.

During FY 2000, construction began on Phase II of the third multi-tenant facility; 13 new companies and affiliates joined the Research Park; Engineering Animation downsized its operations; and a \$400,000 forgivable loan was received from the Iowa Department of Economic Development for the construction of an 8,000 square foot wet-lab incubator.

For the fiscal year ended June 30, 2000, support and revenue totaled \$2.1 million, which exceeded expenses of \$1.6 million.

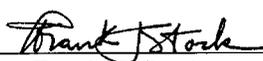
Iowa School for the Deaf Foundation

The Iowa School for the Deaf Foundation is a nonprofit corporation organized in 1994 to provide financial support to the school. The volunteer Board of Directors of the Foundation is composed of up to nine voting members and three non-voting ex-officio members. A new president was appointed and two new members were added during FY 2000.

During the fiscal year, 141 donors contributed to the ISD Foundation (non Capital Campaign gifts). The Capital Campaign received gifts from 137 donors throughout the year; the Iowa West Foundation donated the largest gift of \$500,000 for the ISD Deaf Recreation Center. The Center will provide a new facility to meet the needs of the School for competitive athletics, physical education, health instruction, after-school activities, and community interaction. Construction began during FY 2000 and the complex is scheduled to open in the fall of 2001. Also during FY 2000, the foundation began marketing planned giving through its publications.

Because of the significant growth of the ISD Foundation, the new foundation president requested the first audit of the foundation which began on May 23, 2001. The audit will be presented to the Board subsequent to its release. This is the third report provided to the Board for this foundation.


Andrea L. Anania

Approved: 
Frank J. Stork