BACKGROUND
Minnesota State Colleges and Universities Board policy 7.7, Part 4, states that the colleges and universities shall maintain a list of gifts and grants for submission each fiscal year to the Office of the Chancellor to be incorporated into a comprehensive report to the Board of Trustees. This report includes the nature and the amount of all gifts and grants with a value in excess of $5,000 accepted by the colleges, the universities and the system. The chancellor also may report on other gifts and grants. The attached document contains the following information:

1. Comparison of foundations/institutions totals for seven fiscal years, 1997 – 2003
2. Comparison of foundations' totals for five fiscal years, 1999 – 2003
3. Comparison of institutions' totals for five fiscal years, 1999 – 2003
4. Comparison of foundation and institution non-cash/in-kind gifts received, for fiscal years 2002 and 2003. This is the first year a comparison was possible
5. Foundation and institution totals, plus the non-cash/in-kind gifts received for fiscal year 2003
6. Foundation totals for fiscal year 2003 gifts and grants by source
7. College and university totals for fiscal year 2003 gifts and grants by source

The following reports are available upon request:
1. Fiscal year 2003 individual institutional foundation summary reports for gifts and grants by source and in-kind or non-cash gifts
2. Fiscal year 2003 individual institution summary reports for gifts and grants by source and in-kind or non-cash gifts
3. Fiscal year 2003 reports for each college and university and their foundations for:
   a. non-cash gifts and grants by source
   b. gifts and grants of $5,000 or more
   c. bequests of $5,000 or more
4. On each foundation summary report, the following information is listed:
   a. new total endowment received during FY 2003
   b. total foundation endowment balance, excludes unrestricted and restricted money
   c. total foundation fund balance which matches their current audit.

Following are the definitions of terms used in the report:

*Unrestricted*—the funds may be used for any purposes

*Restricted*—the funds were given for a specific purpose

*Current*—the funds may be spent at any time

*Endowment*—funds (the principle) may not be expended; only the interest earned on the endowment principle may be used for the purposes expressed by the donors

*In-kind*—any non-cash gift, the value of which is determined by the donor. (NOTE: the value of in-kind gifts is not included in the FY 1997 report.)

*Matured bequest*—income received from a last will and testament
College or University Foundation—a 501(c)3 tax-exempt organization whose sole purpose is to support the college or university.

The fiscal year 2003 report reflects an increase in monetary grants of $3,409,848.86, or an increase of 4.95 percent. The “interest earned income” was up by 115.44 percent, or $4,172,993.42. “Interest Earned Income” includes all interest earned in banks, saving accounts, dividends earned on investments and realized and unrealized gains.

Contributions from alumni, individuals, businesses, organizations and private foundations made up 35.40 percent of all contributions for a total of $26,644,638.11 compared to FY 2002’s total of $27,275,569.56. This was a decrease of $630,931.45, or 2.32 percent.

Government grants totaling $43,823,680.90 were received, up 1.16 percent from the FY02 total of $43,313,960.25. Minnesota State Colleges and Universities also received matured bequests of $1,127,380.61 compared to $1,133,869.60 in FY02, a decrease of $86,488.99, or .58 percent.

The foundations are asked to match their contributions as shown on the summary report with their annual audit or IRS 990 totals. In FY03, foundations received $24,495,180.54 compared to $19,269,607.92 in FY02. It is an increase of $5,225,572.62, or 21.33 percent from FY02.

The “Other Sources” line item shows that the foundations received $649,740.23, which was a decrease of $635,444.77, or 49.45 percent from FY02 when $1,285,185.00 was received.

Other information shown by the foundations are:

➢ new endowment received during FY 2003: $5,193,596.70.
➢ total foundation endowment balance (excludes unrestricted and restricted money): $59,484,316.02.
➢ total balance of money in the foundation reported at the end of the year; this includes training money, flow through scholarships and programs: $108,903,913.83.

This year it was possible to complete a comparison of the “Non-Cash/In-Kind Gifts Total Value” on the Summary Reports. The foundations’ in-kind gifts total value for FY03 was $3,314,060.40 compared to FY02 total of $4,110,731.10, down 9.38 percent, and the colleges’ and universities’ in-kind gifts total value was $8,940,059.29 compared to the total for FY02 of $9,111,791.79, down 1.89 percent. Overall, non-cash gifts decreased by a value of $968,403.20, or 7.32 percent.