



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

Rob Sand  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0006  
Telephone (515) 281-5834 Facsimile (515) 281-6518

**NEWS RELEASE**

Contact: Ernest Ruben  
515/281-5834

**FOR RELEASE**

**August 22, 2022**

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Auditor of State Rob Sand today released an audit report on the Iowa Centennial Memorial Foundation for the year ended May 31, 2022.

The Iowa Centennial Memorial Foundation was incorporated January 5, 1949 and was established as a result of an Executive Order transferring the assets of the Iowa Centennial Committee to the Foundation. A fund was established to recognize and encourage outstanding ability and leadership as a permanent observance of the Centennial.

For the year ended May 31, 2022, the Foundation reported additions of \$5,975 from investment income, a 55.0% decrease from the prior year. The decrease in investment income was due to lower interest rates on certificates of deposit.

Deductions for the year totaled \$849, a 22.0% decrease from the prior year. The decrease in deductions was due to a decrease in website hosting rates from fiscal year 2021 to fiscal year 2022.

**AUDIT FINDINGS:**

Consistent with the prior year, Sand reported no findings pertaining to the Iowa Centennial Memorial Foundation.

A copy of the audit report is available for review on the Auditor of State's web site at [Audit Reports - Auditor of State](#).

###

**IOWA CENTENNIAL MEMORIAL FOUNDATION**

**INDEPENDENT AUDITOR'S REPORTS  
BASIC FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**MAY 31, 2022**

**Iowa Centennial Memorial Foundation**



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Rob Sand  
Auditor of State

August 8, 2022

Officials of the Iowa Centennial Memorial Foundation  
Des Moines, Iowa

Dear Officials:

I am pleased to submit to you the financial and compliance audit report for the Iowa Centennial Memorial Foundation for the fiscal year ended May 31, 2022. The audit was performed pursuant to the Foundation's Articles of Incorporation and in accordance with U.S. auditing standards and the standards applicable to financial audits contained in Government Auditing Standards.

I appreciate the cooperation and courtesy extended by the officials and employees of the Iowa Centennial Memorial Foundation throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Sand".

Rob Sand  
Auditor of State

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**Iowa Centennial Memorial Foundation**

**Officials**

Name

Title

**Foundation**

Honorable Kim Reynolds  
Honorable Michael L. Fitzgerald  
Honorable Thomas J. Miller  
John Robbins  
Elaine Estes  
Christopher Diebel  
Janet Metcalf  
Vacant

President  
Treasurer  
Legal Counsel  
Secretary  
Member  
Member  
Member  
Member

Honorable Terry E. Branstad  
Honorable Chester J. Culver  
Honorable Thomas J. Vilsack  
Honorable Robert D. Fulton

Honorary Member  
Honorary Member  
Honorary Member  
Honorary Member

**State**

**Interim Director, Department of Management**

Kraig Paulsen

**Interim Director, Legislative Services Agency**

Tim McDermott



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Independent Auditor's Report

To the Members of the Iowa Centennial Memorial Foundation:

Report on the Financial Statements

We have audited the accompanying financial statements of the Iowa Centennial Memorial Foundation as of and for the year ended May 31, 2022, and the related Notes to Financial Statements, which collectively comprise the Foundation's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Iowa Centennial Memorial Foundation as of May 31, 2022, and the changes in its financial position for the year then ended in accordance with U.S. generally accepted accounting principles.

## Other Matters

### *Required Supplementary Information*

Management has omitted Management's Discussion and Analysis which U.S. generally accepted accounting principles require to be presented to supplement the basic financial statements. Such omitted information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this omitted information.

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Iowa Centennial Memorial Foundation's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended May 31, 2021 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 8, 2022 on our consideration of the Iowa Centennial Memorial Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, the articles of incorporation and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Iowa Centennial Memorial Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Iowa Centennial Memorial Foundation's internal control over financial reporting and compliance.



Ernest H. Ruben, Jr., CPA  
Deputy Auditor of State

August 8, 2022

**Iowa Centennial Memorial Foundation**

## **Basic Financial Statements**

**Exhibit A**

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## Iowa Centennial Memorial Foundation

## Statement of Fiduciary Net Position

May 31, 2022

|                                       |                   |
|---------------------------------------|-------------------|
| <b>Assets</b>                         |                   |
| Cash                                  | \$ 7,900          |
| Certificates of deposit               | 784,013           |
| Accrued interest receivable           | 1,414             |
| Inventory - Centennial Memorial coins | <u>436</u>        |
| <b>Total assets</b>                   | <u>793,763</u>    |
| <b>Liabilities</b>                    |                   |
| None                                  | <u>-</u>          |
| <b>Net Position</b>                   |                   |
| Restricted:                           |                   |
| Nonexpendable:                        |                   |
| Initial sale of centennial coins      | 198,008           |
| Retained income                       | <u>569,464</u>    |
|                                       | 767,472           |
| Expendable                            | <u>26,291</u>     |
| <b>Total net position</b>             | <u>\$ 793,763</u> |

See notes to financial statements.

Iowa Centennial Memorial Foundation  
Statement of Changes in Fiduciary Net Position  
Year ended May 31, 2022

|  |                   |
|--|-------------------|
| Additions:                             |                   |
| Investment income:                     |                   |
| Interest income                        | \$ 5,975          |
| Deductions:                            |                   |
| Other                                  | <u>849</u>        |
| Net increase in fiduciary net position | 5,126             |
| Net position beginning of year         | <u>788,637</u>    |
| Net position end of year               | <u>\$ 793,763</u> |

See notes to financial statements.

Iowa Centennial Memorial Foundation

Notes to Financial Statements

May 31, 2022

**(1) Summary of Significant Accounting Policies**

The Iowa Centennial Memorial Foundation, a part of the State of Iowa, was incorporated January 5, 1949. It was established as a result of an Executive Order transferring the assets of the Iowa Centennial Committee to the Foundation. The funds were originally accumulated by selling an Iowa Centennial fifty cent silver coin for \$2.50 to \$3.00 each. The intention was to use the funds for the observance of the Centennial. However, the coins were received too late to fulfill the original intention. Therefore, a fund was established to recognize and encourage outstanding ability and potential leadership, as well as to encourage and recognize outstanding service of Iowa citizens, as a permanent observance of the Centennial. This is to be accomplished by the use of scholarships, awards and medals and by providing for historical exhibits.

It is the duty of the Governor to serve as president of the Iowa Centennial Memorial Foundation; it is the duty of the Treasurer of State to serve as treasurer of the Iowa Centennial Memorial Foundation; it is the duty of the Attorney General to serve as legal counsel of the Iowa Centennial Memorial Foundation; and it is the duty of the president of the State Board of Education to serve as secretary of the Iowa Centennial Memorial Foundation. In addition to the above, four citizens of the state who do not hold elective or full-time appointive positions shall administer the Foundation. All former Governors of the state residing or maintaining their legal residence within the state are non-voting honorary members of the Foundation.

Two bound volumes of the history of the Iowa Centennial coin have been prepared. One copy of the history is at the University Library at the State University of Iowa, Iowa City, and the other is in the Archives in the Iowa State Historical Building.

A detailed report of the coins is in the vault of the Treasurer of State, stored with the 873 unsold Centennial coins.

The financial statements of the Foundation have been prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. The more significant of the Foundation's accounting policies are described below.

A. Reporting Entity

The financial statements include all funds of the Foundation.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Foundation is accounted for using the economic resources measurement focus and the accrual basis of accounting. Additions are recorded when earned and deductions are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Foundation is a fiduciary fund and is classified as a private purpose trust for financial statement purposes. A private purpose trust is used to report a trust arrangement under which income benefits individuals, private organizations or other governments. The Foundation is used to account for resources which may be expended only to recognize and encourage outstanding ability and potential leadership, as well as to encourage and recognize outstanding service of Iowa citizens, as a permanent observance of the Centennial. This is to be accomplished by the use of scholarships, awards and medals and by providing for historical exhibits.

C. Centennial Memorial Coins

The inventory of Centennial Memorial coins is valued at cost, which is fifty cents each, and represents a total of 873 coins. Three hundred fifty-one coins are currently for sale in commemoration of Iowa Statehood. Five hundred are to be sold in 2046 to pay expenses of celebrating the 200th anniversary of Statehood. Twenty-two are reserved for the use of the Iowa Centennial Memorial Foundation for gifts, awards, etc.

**(2) Cash and Investments**

The Iowa Centennial Memorial Foundation's deposits at May 31, 2022 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This Chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The Foundation had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

At May 31, 2022, the Foundation had certificates of deposit totaling \$784,013.

**(3) Net Position**

Article V of the Foundation's Articles of Incorporation states:

This Corporation shall allocate no more than fifty percent of its annual income to unrestricted (expendable) fund balance (net position) until such time as the assets held by this Corporation have been increased to the value of \$500,000 and it shall allocate no more than seventy-five percent of its annual income to unrestricted (expendable) fund balance (net position) until the Corporation shall have increased its assets to the value of \$1,000,000 or more. The restrictions contained herein shall not apply when the asset value exceeds \$1,000,000. The unrestricted (expendable) fund balance (net position) may be used to carry out any and all objects and purposes of the Corporation.

For purposes of allocating its annual income between restricted (nonexpendable) and unrestricted (expendable) fund balance (net position), the Foundation Board has defined annual income earned to exclude market value changes for securities intended to be held until maturity.

The changes in net position are as follows:

|   | Restricted        |               |
|---|-------------------|---------------|
|   | Nonexpendable     | Expendable    |
| Balance June 1, 2021  | \$ 765,978        | 22,659        |
| 25% of annual income earned in the<br>year ended May 31, 2022 | 1,494             | -             |
| Balance of annual income                                      | -                 | 4,481         |
| Other expenses  | -                 | (849)         |
| Balance May 31, 2022  | <u>\$ 767,472</u> | <u>26,291</u> |

**Supplementary Information**

**Schedule 1**

## Iowa Centennial Memorial Foundation

## Certificates of Deposit

May 31, 2022

| <u>Description</u>  | <u>Purchase<br/>Date</u> | <u>Cost</u>       |
|---|--------------------------|-------------------|
| Certificates of Deposit:  |                          |                   |
| Certificate of Deposit – Northwest Bank, Sioux Center, 0.55%<br>Due April 18, 2023              | August 18, 2021          | \$ 38,838         |
| Certificate of Deposit – American Bank, LeMars, 0.50%<br>Due May 15, 2023                       | November 15, 2021        | 72,249            |
| Certificate of Deposit – American Bank, LeMars, 0.50%<br>Due June 10, 2023                      | December 10, 2021        | 89,461            |
| Certificate of Deposit – Danville State Savings Bank, Danville, 0.70%<br>Due September 26, 2023 | March 26, 2022           | 38,574            |
| Certificate of Deposit – Northwest Bank, Sioux Center, 0.80%<br>Due October 13, 2023            | May 13, 2022             | 58,091            |
| Certificate of Deposit – Danville State Savings Bank, Danville, 0.90%<br>Due July 8, 2022       | January 8, 2022          | 104,517           |
| Certificate of Deposit – Danville State Savings Bank, Danville, 0.90%<br>Due July 19, 2022      | January 19, 2022         | 107,965           |
| Certificate of Deposit – Denver Savings Bank, Denver, 0.40%<br>Due August 19, 2022              | May 20, 2022             | 126,604           |
| Certificate of Deposit – Denver State Savings Bank, Denver, 0.40%<br>Due August 19, 2022        | May 20, 2022             | 50,056            |
| Certificate of Deposit – Northwest Bank, Sioux Center, 0.55%<br>Due January 25, 2023            | May 25, 2022             | 37,637            |
| Certificate of Deposit – Denver State Savings Bank, Denver, 0.49%<br>Due July 1, 2023           | May 1, 2022              | 60,021            |
| Total   |                          | <u>\$ 784,013</u> |

See accompanying independent auditor's report.

## Iowa Centennial Memorial Foundation

## Comparative Analysis of Operations

Years ended May 31, 2013 through May 31, 2022

| Year<br>Ended<br>May 31, | Additions | Deductions   |                              | Total |
|--------------------------|-----------|--------------|------------------------------|-------|
|                          |           | Scholarships | Awards and<br>Other Expenses |       |
| 2013                     | 8,325     | 6,000        | 2,301                        | 8,301 |
| 2014                     | 5,517     | 5,000        | 1,322                        | 6,322 |
| 2015                     | 5,311     | 3,000        | 1,237                        | 4,237 |
| 2016                     | 6,274     | 2,500        | 1,653                        | 4,153 |
| 2017                     | 7,751     | 2,500        | 1,571                        | 4,071 |
| 2018                     | 9,328     | 4,500        | 1,586                        | 6,086 |
| 2019                     | 15,623    | 4,500        | 3,907                        | 8,407 |
| 2020                     | 16,921    | 8,000        | 1,365                        | 9,365 |
| 2021                     | 13,273    | -            | 1,088                        | 1,088 |
| 2022                     | 5,975     | -            | 849                          | 849   |

See accompanying independent auditor's report.



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Independent Auditor's Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards

To the Members of the Iowa Centennial Memorial Foundation:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the Iowa Centennial Memorial Foundation as of and for the year ended May 31, 2022, and the related Notes to Financial Statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated August 8, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Iowa Centennial Memorial Foundation's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Iowa Centennial Memorial Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Iowa Centennial Memorial Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the Foundation's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iowa Centennial Memorial Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and the articles of incorporation, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters which are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Iowa Centennial Memorial Foundation during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Ernest H. Ruben, Jr., CPA  
Deputy Auditor of State

August 8, 2022

Iowa Centennial Memorial Foundation

Staff

This audit was performed by:

Ernest H. Ruben, Jr., CPA, Deputy  
Tiffany M. Ainger, CPA, Manager  
Priscilla M. Ruiz Torres, Staff Auditor