Kansas Soybean Commission
March 16, 2011
Report to the Kansas House

Chairman Powell and members of the Kansas House Standing Committee on Agriculture and Natural Resources: I am Bob Haselwood from Berryton, chairman of the Kansas Soybean Commission (KSC).

Kansas Statute 2-3002 authorized the soybean commission and continues to guide its operations. Likewise, Congress passed the Soybean Promotion, Research and Consumer Information Act as part of the 1990 farm bill, and the act authorized the U.S. Department of Agriculture to create the United Soybean Board (USB). That board has designated the KSC as a qualified state soybean board. Through KSC and USB, the soybean checkoff provides soybean farmers with an effective, efficient, self-directed program for research and development on both the state and national levels.

First purchasers – typically grain elevators – assist us by collecting one-half of 1 percent of the net market value of the soybeans when farmers sell their crop in Kansas. We send one-half of our collections to USB for national and international projects. USB's 69 farmer-directors – including three Kansans – allocate our remittance and those of 25 other soybean-producing states to international market development, production and utilization research, consumer information and producer communications projects.

At the state level, nine soybean farmers volunteer their time to serve on the soybean commission, and they oversee the investment of the remaining checkoff funds in similar projects to benefit their industry.

The handouts include a copy of our latest marketing plan, which summarizes this fiscal year's program, including some information about the project areas we fund.

A summary of our research – primarily production research – also is in the handouts. We fund soybean breeding, production and environmental research programs that focus on the most economical, efficient and environmentally friendly cropping systems. Our research priorities include best management practices, crop protection and pest management. We also fund a limited amount of research into new uses for soybeans and their derivatives. Developing eco-conscious products to create new markets for soybeans is important to us.

House Ag & Natural Resources
March 16, 2011
Attachment 8

Our international marketing efforts, which complement USB's extensive program, primarily are enacted through the International Grains Program at Kansas State University. For example, hosting trade delegations to promote Kansas-grown soybeans to overseas customers expands our foreign markets for value-added products. We also have been working with the agricultural marketing staff within the Kansas Department of Commerce to sell containerized Kansas soybeans to a food and feed provider in Kansas' sister state, the Henan province and other locations in China.

Our international activities also include humanitarian projects, such as our collaborations with the World Initiative for Soy in Human Health to improve people's nutrition and access to much-needed protein. Our most recent efforts have focused on using soy protein to combat the hunger, malnutrition and dietary deficiencies that are having devastating effects on children in Central and South America.

Our consumer-education program not only includes educating school children and the general public about convenient, healthful soyfoods, but it also promotes industrial soybean products like biodiesel and soy-based paints, stains, sealers and insulation.

Developed by the soybean checkoff and creating 4.5 times more energy than used to produce it, soy biodiesel helps drive demand for U.S. soybeans. Biodiesel plays a constructive role in the nation's overall energy strategy. Kansas biodiesel usage climbed steadily from 2004 through 2009 until the federal biodiesel tax credit was allowed to expire in 2010. Now that the tax incentive has been reinstated we are working hard with Kansas petroleum marketers to regain lost market share. Tax incentives make soy biodiesel more affordable and they are an integral part of sound public policy, promoted by our sister organization the Kansas Soybean Association. We have included our latest survey of Kansas petroleum marketers showing the decline in biodiesel sales. We lost nearly one-half of our bulk and retail outlets in 2010.

Another domestic market priority is our serious commitment to protecting animal agriculture, which consumes about 98 percent of all soybean meal produced in the United States. We are working closely with Kansas animal, commodity and general farm organizations to educate Kansans about the social and economic importance of animal agriculture in our state and nationwide. According to a checkoff-funded study, U.S. animal agriculture normally employs more than 1.8 million Americans and contributes

more than $16 billion in income- and property-tax revenue per year. In concert with the Kansas Soybean Association, we will take every step necessary to safeguard animal agriculture, including the formation of an Animal Agriculture working group in Kansas.

Our communications program disseminates information to farmers and our industry partners. Radio and TV programs, newsletters, trade-show displays and meeting participation all are included in the program. We strive to get the latest, most relevant information to our farmers. A copy of our *Soy Notes* newsletter, which is in the handouts, illustrates some of that information. We have been a major supporter of the new "AG am in Kansas" TV program aired daily throughout the state.

Our administrative budget includes the cost of collections, audits, elections and other commission expenses. An outside, accredited accounting firm audits KSC's financial records each year, ensuring checkoff dollars are spent according to acceptable, efficient business practices. Our complete FY 2010 audit is available to you if you wish to have a copy; and the handouts include our statements of net assets, statements of activities, statements of cash flows and schedules of program expenses from the last two audits. In addition, USB audits us every three years for compliance with the national soybean-checkoff regulations.

About this time last year, we moved into our new office building in Topeka. It is on SW Red Oaks Place – just east of where SW Urish Road intersects SW 10th Street. While providing state-of-the-art facilities for hosting international trade delegations, industry meetings and other visitors, it also showcases many of the construction applications of soybean products. You are welcome to stop by for a tour anytime.

It has been my pleasure to share this brief synopsis of our program with you. Additional information, program details and project specifics are available at your request. Please accept the gratitude of the entire Kansas Soybean Commission and our state's soybean farmers – who generated nearly $1.5 billion in farm receipts from the 2010 crop – for your continued support of our soybean checkoff because, as our slogan goes, it works for everyone.

Bob Haselwood
Berryton, Kansas

Kansas Soybean Commission
1000 SW Red Oaks Place
Topeka, KS 66615-1241

Kansas Soybean Commission
FY2011 Marketing Plan

The mission of the Kansas Soybean Commission is improving the profitability of Kansas's soybean producers. The Commissioners have identified the following priorities to work toward that mission:

1. Breeding/Production/Environmental Programs focusing on the most economical/efficient cropping systems with minimal impact on the environment including best management practices and crop protection/pest management; replacement of existing controls/seed treatments.

2. Animal/Human Nutrition studies that will increase the utilization of soybeans in the livestock feeding industry and new and innovative uses of soybeans as vital components in human nutrition.

3. Value-Added Projects developing and commercializing competitive industrial uses for soybeans including private entity cooperation.

4. Marketing Extension Program including extensive educational training of soybean pricing, crop disappearance/market share, crop insurance options, yield protection, farm program considerations and options in marketing available to Kansas soybean producers.

5. International market development with a focus on utilizing Kansas's soybeans.

In addition the Soybean Commission through its own work and through a contract with the Kansas Soybean Association promotes the nutritional benefits of using soybean products to consumers and because of its benefits to the environment, energy security and the farm economy, promotes the use of soy biodiesel as an alternative to diesel fuel. It also informs Kansas' soybean producers of their activities through producer communications efforts and participates in Industry Relations programs both state and nationally.

The Commission directly funds the following programs to reach their mission:

1. Kansas State University research and outreach:
   - Extension and Applied Research Programs for Kansas Soybean Production
   - Development of Soybean Host Plant Resistance and Other Management Options for the Soybean Stem Borer
   - Trait and Production Efficiency Enhancement in Soybean
   - Use of Seed and Foliar Fungicides at Two Planting Dates for Soybean Production in Kansas
   - Correction of Potassium Deficiency in Soybean Production in Kansas
   - Influence of soils, nutrition, and water relations upon charcoal rot disease processes in Kansas
   - Iron deficiency chlorosis in soybean: Effect of soil properties and iron fertilizer application
   - Managing Marestail in No-Till Soybean Systems
   - Evaluation of Common Soybean Varieties in Southeast KS
   - Enhancement of Soybean through Genetic Engineering
   - Soy oil latex for pressure sensitive adhesives
   - Premium Texturized Soybean Protein by Extrusion Processing – Product Quality from Different Formulations and Processing Parameters
   - Nutritional enhancement of soybean carbohydrates and hulls for animal feed using microbial cultures
   - Development of Farm Management Data Systems for Kansas Farmers
   - Keeping the Family Farming, Succession Planning Workshops for Kansas Farmers
   - Kansas Soybean Cyst Nematode Survey

2. Pittsburg State University research on:
   Hyperbranched Polyols for Flexible Foams from Soybean Oil Fatty Acids

3. The University of Kansas research on:
   KU Biodiesel Initiative: A model for distributed production of biodiesel for rural communities
   Biodiesel Glycerin Based Hydrogen Rich Fuel Gas Production for Electrical Generation from an Internal Combustion Engine
   Emission Studies of Biodiesel and Biodiesel Blends in a Light Duty Truck

4. Wichita State University
   Understanding charcoal rot disease using a genetics approach

5. North Central Soybean Research Program

6. Ag in the Classroom, School Education Programs and state and county fairs

7. Youth Education Program

8. FFA program support

9. FACS education program

10. Biodiesel – Industrial Uses Advertising
    Kansas State University Football Network
    WIBW – Kansas University Sports
    Others as approved by the commission

11. National Biodiesel Board
    Membership
    State Regulatory Project
    Pipeline distribution

12. Producer Radio, TV and Print Outreach
    WIBW radio, Topeka
    KRVN radio, Lexington, NE
    KKOW radio, Pittsburg, KS
    KFEQ radio, St. Joseph, MO
    KFRM radio, Clay Center, KS
    KBUF radio, Garden City, KS
    AG am in Kansas on three TV stations in Kansas

    Possible spot ads and other sponsorships:
    KFRM radio, Clay Center, KS
    Eagle Broadcasting Network
    Kansas Agricultural Network
    Mid-America Ag Network
    Agri-Talk Program at NBB Conference

    Print Ads for specific promotions. Advertise to educate producers of soybean checkoff program sponsored by the KSC, *Straight Rows.* Work on earned media with *Kansas Farmer, High Plains Journal, Farm Talk, Midwest Producer* and *Grass and Grain.*

13. *Soy Notes* Newsletter

14. Kansas Soybean Expo

15. No-till education including No-till On the Plains organization

16. Field Days, Farm/ Trade Shows, Crop Tours

17. International Market Development work
    Kansas State University
        International Grains Program
    Karl Zhao, Kansas Department of Commerce, Chinese Consultant
    WISHH Program
    USSEC Latin American, Chinese and Taiwanese Program work
    AGP, Inc., Gray's Harbor Export Program

18. Collection, meeting, administration and audit procedures

19. Program and administrative work by the Kansas Soybean Association
    (Attached projects including budgets for contracted and direct spending)

20. Leadership development and program management

21. First Purchaser Relations
    Grain Grading Workshops
    KGFA Annual meeting and trade show
    KGFA meetings and golf outings

22. Soybean Production Yield Contest

23. USB Funded Cooperative Projects

24. Consumer Awareness Media Program

FY2011 Kansas Soybean Commissioners

Districts I-II-III Kurt Maurath (Secretary)
420 Elm Avenue
Oakley, KS 67748
(785) 672-3750

District IV Steve Clanton
721 Kiowa
Minneapolis, KS 67467
(785) 392-2527

District V Harold G. Kraus
977 Chetolah Gold Rd.
Hays, KS 67601
(785) 625-6488

District VI Jerry Wyse
8403 Mayfield Rd.
Haven, KS 67543-8093
(620) 465-2245

District VII Jim Zwonitzer
10789 Cheyenne Road
Horton, KS 66439
(785) 872-3165

District VIII Bob Haselwood (Chair)
2130 SE 61st Street
Berryton, KS 66409
(785) 862-1048

District IX Mike Bellar
1411 Killdeer
Howard, KS 67349
(620) 374-2197

At-Large Ron Ohlde (Treasurer)
1579 4th Road
Palmer, KS 66962
(785) 692-4322

At-Large Jerry Jeschke (Vice-Chairman)
1584 Willow Road
Robinson, KS 66532
(785) 765-3623

United Soybean Board Representatives:
John Wray, Ottawa
Bob Haselwood, Berryton
Ron Ohlde, Palmer

Kenlon Johannes, Administrator
Kansas Soybean Commission
1000 SW Red Oaks Place
Topeka, KS 66615-1241
Phone: 785-271-1040
Fax: 785-271-1302
Email: johannes@kansassoybeans.org

Soybean Checkoff Research Database:
Projects Being Funded on October 1, 2010

Kansas Soybean Commission

Correction of Potassium (K) Deficiency in Soybean Production in Kansas; *David B. Mengel, Dorivar Ruiz Diaz (Agronomy Department, Kansas State University); ($30,990)*

The objectives are to: 1) Determine the impact of K deficiencies on soybeans yields in Kansas. 2) Determine if broadcast applications of K will correct the observed deficiencies when soil test K levels are below the current critical level and if so, the amount of K required to correct deficiencies at a given soil test level. 3) Determine if surface banding of K will correct the K deficiency in soybeans more efficiently than broadcast applications.

Trait and Production Efficiency Enhancement in Soybean; *Bill Schapaugh, Tim Todd, Harold Trick, Jim Long, (Agronomy Department, Plant Pathology Department, Southeast Research Center, Kansas State University); ($276,449)*

The objectives are to: 1) Improve the genetic potential and enhance the genetic diversity of soybean germplasm for the following traits: Seed yield: under dryland and irrigated production; seed composition: high oil, high protein, low phytate, low linolenic, mid-oleic, low saturated fats and disease and insect resistance: Soybean Cyst Nematode (SCN), Soybean Sudden Death Syndrome (SDS), Soybean Aphid, Soybean Rust. 2) Incorporate transgenic events into elite breeding lines. 3) Map resistance genes for the soybean aphid. 4) Characterize the virulence diversity in Kansas populations of soybean cyst nematode. 5) Investigate the interaction between SDS and SCN. 6) Develop best management practices in Southeast KS for disease control in soybean, with special consideration for season-long charcoal rot control, early and mid season leaf disease control, and late foliar, pod, and stem disease control. 7) Identify and assess biological methods to control diseases, including seed treatments and foliar treatments.

Use of Seed and Foliar Fungicides at Two Planting Dates for Soybean Production in Kansas; *Barney Gordon, Doug Jardine, Kraig Roozeboom, Stu Duncan (Department of Agronomy, Department of Plant Pathology, Northeast Area Extension, Kansas State University); ($8,500)*

The objective of this research will be to investigate response of soybeans to both seed and foliar applied fungicides at a normal and a late planting date under irrigated and dryland conditions. An additional objective will be to assess the role of fungicides in improving quality of soybean seed for planting.

Iron Deficiency Chlorosis in Soybean: Effect of Soil Properties and Iron Fertilizer Application; *Dorivar Ruiz Diaz, David Mengel (Department of Agronomy, Kansas State University); ($33,656)*

The objectives are: 1) Evaluate the effect of different iron fertilizer applications strategies on soybean yield on iron deficiency chlorosis potential soils. 2) Determine interactions between soil properties and iron fertilizer applications on soybean yield. 3) Evaluate economic returns to iron fertilizer applications and varietal resistance selection.

Understand Charcoal Rot Disease Using a Genetics Approach; *Bin Shuai (Department of Biological Sciences, Wichita State University); ($28,745)*

The research objective is to identify genes that are involved in the charcoal rot disease using Medicago as the model.

Enhancement of Soybean through Genetic Engineering; *Harold Trick, William Schapaugh and Tim Todd (Departments of Plant Pathology and Agronomy, Kansas State University); ($75,092).*

This project will continue to produce and evaluate genetically engineered soybeans for increased fungal resistance. Use gene silencing (RNAi) to enhance Soybean Cyst Nematode (SCN) resistance in transgenic soybean. Produce phenylalanine-free corn protein in transgenic soybean to produce a nutraceutical (value-added) trait that may open new markets for Kansas' soybeans.

Development of Genetic and Chemical Tactics for Management of the *Decetes* Stem Borer in Soybean; *Lawrent Buschman, C. Michael Smith, Phillip E. Sloderbeck, William Schapaugh and Harold Trick (Entomology, Agronomy and Plant Pathology Departments, Southwest Area Extension Office, SW Research/Extension Center, KSU Extension Offices, Kansas State University); ($26,156).*

The researchers will: 1) continue screening soybean germplasm accessions for resistance to soybean stem borer; 2) evaluate the yield response of different soybean varieties to soybean stem borer feeding using systemic insecticides; 3) conduct a survey of the occurrence of soybean stem borer across the High Plains and Midwest to determine if the problem is widespread enough to encourage registration of insecticides against this pest; and 4) expand web pages and other educational materials associated with soybean insect pests.

Understanding soybean seed, seedling, and root pathogens in Kansas; *Christopher R. Little, Timothy C. Todd (Plant Pathology Department, Kansas State University) ($35,115)*

This study will help determine the intently of soil and seed borne *Fusarium* spp. in Kansas soybeans. In addition, it will evaluate the pathogenicity of *Fusarium* spp. upon those varieties of soybeans that are commonly grown. As well as determine the sensitivity and resistance of *Fusarium* pathogens to biological and compare those results with commercial seed treatment fungicides. To conclude the study will examine the interactions between seedlings and root pathogens in three-way tests.

Kansas Soybean Cyst Nematode Survey; *Douglas J. Jardine, Tim C. Todd, Stewart R. Duncan, Douglas Shoup (Plant Pathology and Agronomy Departments, Kansas State University) ($9,320)*

This project will conduct a statewide soil survey for soybean cyst nematode, to determine the severity of the pest. It will determine the HG type of those fields testing positive. Results will be delivered through a large variety of outlets which include local, regional, and statewide meetings, newsletters, Extension publications, and the internet.

Managing Marestaill in No-Till Soybean Systems; *Dallas Peterson, Doug Shoup (Department of Agronomy and Southeast Area Extension, Kansas State University) ($5,244)*

Researchers will indentify options for herbicide to control marestail in no-till systems. Once those options have been indentified, they will evaluate fall and spring application timings to optimize the control of marestail. Education will take place with producers on best management practices for chemical control of marestail through extension meetings and field demonstrations.

Soy Oil Latex for Pressure Sensitive Adhesives; *Xiuzhi Susan Sun, Donghai Wang (Department of Grain Science and Industry, Department of Bio & Ag Engineering, Kansas State University); ($50,700)*

The goal of this proposal is to convert soybean oil into latex for pressure sensitive adhesive applications. Specific objectives include; 1) Technology will be developed that soybean oil will be used as a major material for latex production. 2) The soy oil latex will be evaluated for pressure sensitive adhesives applications. 3) Aging of pressure sensitive adhesives will be characterized and stabilized.

Nutritional Enhancement of Soybean Carbohydrates and Hulls For Animal Feed Using Microbial Cultures; *Praveen Vadlani, Ron Madl, Dan O'Brien (Department of Grain Science and Industry, Department of Extension Agricultural Economics NW Research Extension Center, Kansas State University); ($38,742)*

The objective of the research is: 1) To achieve bioconversion of soluble carbohydrates (raffinose, sucrose

and stachyose) and residual starch from soybean hulls to microbial protein, 2) Co-culture fermentation of sugars derived from soybean carbohydrates and hull to single-cell-protein, and characterize the fiber utilization and nutritional enhancement, 3) Assess the economics of nutritionally enhanced soybean hulls compared with current use value and vs. distiller's grain from the ethanol process.

Novel Soy-Based Savory Snacks Using Extrusion Processing; *Sajid Alavi, Koushik Adhikari, Xiaozhi Tang (Kansas State University) ($36,950)*

The overall objective is to develop a novel, high protein, soy-based savory snack product for the U.S. market, which uses extrusion processing. Ideally, this product will have the potential for marketing internationally as a cheaper alternative to lentils, which is a protein source for many people in many countries. The specific objectives are: 1.) Utilize extrusion processing to produce a precooked snacked with a mixture of soy and wheat flour. 2.) To compare and study the production of the soy-wheat pellets using a single screw extruder and a twin extruder. 3.) To prepare the snacks mentioned above by soaking, frying and seasoning, and characterize properties of the product, such as water holding capacity, oil uptake, and texture. 4.) To evaluate the consumer acceptability and nutrition of the savory snacks.

Biodiesel Glycerin Based Hydrogen Production for Electrical Generation from a Hydrogen Internal Combustion Engine; *William Ayres (Renewable Solutions, LLC); ($43,000).*

The objective of this project is to test hydrogen from glycerin from biodiesel production for hydrogen gas powered internal combustion engines by: 1) Glycerin Hydrogen Fuel Gas production at Biomass Energy Foundation (BEF); 2) Continue Testing of Plasma Reformer on Glycerin to Produce Hydrogen Rich Gas and operation of an engine generator set; 3) Integrate the Reformer and Operate an Engine on Biodiesel Glycerin Hydrogen Rich Gas.

KU Biodiesel Initiative: A model for distributed production of biodiesel for rural communities; *Susan M Stagg, Ilya Tabakh, Jeremy Viscomi (Civil, Environmental, and Architectural Engineering Department and Chemical and Petroleum Engineering, KU Energy Council, University of Kansas) ($48,909)*

The purpose of this study is to convert used cooking oil from the KU campus into biodiesel for use at KU. It will establish a testing facility to train and monitor. This is to ensure fuel quality. It will also provide education and outreach to the people of Kansas. In addition, it will analyze energy consumption for the production and testing facility. It will also evaluate the environmental and economic benefits of biodiesel usage on campus.

Securing Biodiesel Blends in Multi Product Pipeline; *Dough Whitehead, Steve Howell (National Biodiesel Board) ($40,000)*

This project's objective is to provide funding toward the efforts needed to allow commercial shipment of biodiesel blends in the US pipelines that carry current petroleum based fuels. It is expected that there will be significant economic impacts on the cost of biodiesel. This impact could save consumers when they purchase biodiesel at the pump.

Bioheat-Cooperative Support of Technical Barriers; *Doug Whitehead, Steve Howell, Paul Nazzaro (The National Biodiesel Board and Advanced Fuel Solutions) ($40,000)*

This project will provide NBB funding to address the technical issues needed for the approval of B20 by the burner manufacturers.

Locally Led Core Conservation Practices to Protect Water Quality; *Roger Long, Brian Lindley (No-till on the Plains, Inc) ($15,000)*

There are three objectives for this project. They are: 1) Identify up to ten different model operations that show best management practices and that are willing to share information about their operation. 3) Improve the data collection, analysis, and monitoring of runoff from ten farms in cooperation with Kansas State

University research partners as a baseline for a five year study. 3) Share model programs, new findings, and best management practices with 3,000 members of the agriculture community though an annual winter conference, publications on the website, and new white papers.

Extension and Applied Research Programs for Kansas Soybean Production; *Kraig Roozeboom (Department of Agronomy, Kansas State University); ($4,814)*

The objectives are: 1) Effectively educate producers, crop advisors, and other agri-business professionals about the latest developments in best management practices for soybean production and soybean cropping systems. 2) Maintain and expand personal soybean production and educational expertise.

Development of Farm Management Data Systems for Kansas Farmers; *Bryan Schurle, Kevin Herbel, Michael Langemeier (Department of Agricultural Economics, Kansas State University); ($15,000)*

The objective of this project is to develop new database systems for farm management data for Kansas farmers. Specifically, we intend to: 1) Develop a new data collection system that collects farm management data in a similar fashion to the system currently in place, but with vastly superior flexibility in data handling ability and report writing capacity. 2) Develop new report writing systems that improve readability by utilizing graphs and charts for comparison purposes. 3) Develop new and improved benchmarks for enterprises and whole farm analyses.

Evaluation of Common Soybean Varieties in Southeast Kansas; *Doug Shoup, (SE Area Extension, Kansas State University); ($1,000)*

The goal of this project is to evaluate agronomic traits and yield of several soybean varieties not entered in the variety performance trial but commonly grown in southeast Kansas. Objectives are to: 1) Evaluate agronomic traits and yield of commonly grown soybean varieties in southeast Kansas. 2) Provide information on these varieties thru publications and extension education meetings.

Hyperbranched Polyols For Flexible Foams from Soybean Oil Fatty Acids; *Zoran Petrovic, (Pittsburg State University); ($52,000)*

Using a family of low viscosity hyperbranched polyols prepared using functionalized methyl esters of soybean oil (biodiesel) tested in flexible polyurethane foams, the project focuses on: 1) Improvement of cell structure and air flow; 2) Improvement of tear strength, tensile strength and elongation; 3) Variation of foam density/hardness; 4) Development foams for the specific applications.

8-12

Kansas Biodiesel Fuel Usage Survey Results

Kansas Soybean Commission, 1000 SW Red Oaks Place, Topeka, KS 66615
785-271-1040 www.kansassoybeans.org

Blend	2004	B100 Equiv.	2005	B100 Equiv.	2006	B100 Equiv.	2007	B100 Equiv.
	July 03 - June 04		July 04 - June 05		July 05 - June 06		July 06 - June 07	
B2	5,926,305	118,526	3,921,861	78,437	3,616,039	72,337	3,019,480	60,390
B5	141,248	7,562	2,109,619	105,481	3,661,836	183,092	2,097,300	104,865
B10			100,000	10,000	2,750,000	275,000	344,400	34,440
B20			18,000	3,600	24,000	4,800	215,167	43,033
B50							50,893	25,447
B100		110,005	378,524	378,524	295,900	295,900	213,164	213,164
Total B100		**236,093**		**576,042**		**830,229**		**481,339**
Surveys								
Sent out		137		175		170		170
Returned		55		50		49		26

Blend	2008	B100 Equiv.	2009	B100 Equiv.	2010	B100 Equiv.
	July 07 - June 08		July 08 - June 09		July 09 - June 10	
B2	2,811,730	56,235	2,313,235	46,265	2,191,745	438,349
B5	682,590	34,130	389,249	19,462	424,891	21,245
B10	560,925	56,093	559,601	55,960	9,410	941
B20	740,216	148,043	1,408,977	281,795	43,739	8,748
B50					786	393
B100	219,556	219,556	251,818	251,818	48,878	48,878
Total B100		**514,056**		**655,300**		**518,554**
Surveys						
Sent out		170		170		170
Returned		30		31		18

updated 03/13/11

KANSAS SOYBEAN COMMISSION

STATEMENTS OF NET ASSETS

June 30, 2010 and 2009

	2010	2009
ASSETS		
Current Assets		
Cash	$ 3,415,698	$ 3,433,099
Accounts receivable	19,793	-
Accounts receivable - KSA	1,142	18,813
Total Current Assets	3,436,633	3,451,912
Noncurrent assets		
Capital assets, net of accumulated depreciation	1,685,961	382,707
Total Assets	5,122,594	3,834,619
LIABILITIES		
Current Liabilities		
Accounts payable	187,496	448,334
Accounts payable - KSA	-	1,912
Current portion of long-term obligation	2,600	2,600
Total Current Liabilities	190,096	452,846
Long-term Liabilities		
Payable to American Soybean Association	12,200	12,200
Total Liabilities	202,296	465,046
NET ASSETS		
Invested in capital assets, net of related debt	1,685,961	382,707
Unrestricted:		
Designated	830,438	1,796,246
Undesignated	2,403,900	1,190,620
Total Net Assets	$ 4,920,298	$ 3,369,573

KANSAS SOYBEAN COMMISSION

STATEMENTS OF ACTIVITIES

For the years ended June 30, 2010 and 2009

	2010	2009
Program Revenues:		
Soybean assessments	$ 7,546,696	$ 5,776,941
Less:		
USB remittances	(3,664,444)	(2,804,273)
QSSB remittances	(210,834)	(162,261)
KDA collection fees	(3,846)	(3,342)
KDA first purchaser audits	(3,368)	(2,133)
Net assessments revenues	3,664,204	2,804,932
Program refunds	6,317	32,685
Interest income	10,238	20,488
Penalties	3,935	3,259
Grants	120,329	87,946
Miscellaneous income	-	1,923
Total Revenues	3,805,023	2,951,234
Program Expenses:		
Projects:		
Research	1,069,773	866,531
Other	943,132	854,919
Supportive Services:		
Administration	242,330	159,312
Total Program Expenses	2,255,235	1,880,762
Program Income	1,549,788	1,070,472
Nonprogram Expense:		
Other income	-	31
Gain on sale of fixed assets	937	-
Net Other Income (Expenses)	937	31
Change in Net Assets	1,550,725	1,070,503
Net Assets, beginning of year	3,369,573	2,299,070
Net Assets, end of year	$ 4,920,298	$ 3,369,573

KANSAS SOYBEAN COMMISSION

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities:		
Cash received from checkoff	$ 7,546,696	$ 5,776,941
Cash received from others	107,080	118,942
Cash payments to suppliers for goods and services	(6,319,334)	(4,534,913)
Interest received	10,238	20,488
Net Cash Provided by Operating Activities	1,344,680	1,381,458
Cash Flows from Capital and Related Financing Activities:		
Payments for capital acquisitions	(1,384,131)	(345,060)
Proceeds from sale of capital assets	22,050	-
Change in long-term obligation	-	(10,000)
Net Cash Used by Capital and Related Financing Activities	(1,362,081)	(355,060)
Net Change in Cash	(17,401)	1,026,398
Cash, beginning of year	3,433,099	2,406,701
Cash, end of year	$ 3,415,698	$ 3,433,099

Reconciliation of Operating Income to Net Cash Provided by Operating Activities

Change in Net Assets	$ 1,550,725	$ 1,070,503
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	58,827	73,142
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(2,123)	(6,902)
Increase (decrease) in accounts payable	(262,749)	244,715
Net Cash Provided by Operating Activities	$ 1,344,680	$ 1,381,458

KANSAS SOYBEAN COMMISSION

SCHEDULES OF PROGRAM EXPENSES

For the years ended June 30, 2010 and 2009

	2010	2009
Research Program Expenses:		
Kansas State University	$ 649,256	$ 549,554
Pittsburg State University	128,461	120,500
No Till on the Plains	15,000	10,000
WSU Research	28,745	-
North Central Soybean Research Program	100,000	80,000
Kansas University	69,814	43,915
Renewable Solutions, LLC	43,000	-
National Biodiesel Board	-	49,850
Refunded research funds	22,315	-
Miscellaneous research expenses	13,182	12,712
Total Research Program Expenses	$ 1,069,773	$ 866,531
Other Program Expenses:		
International market development	$ 274,837	$ 247,258
Consumer information	106,760	96,304
Youth education program	33,268	46,602
Consumer awareness	25,000	25,127
Biodiesel	127,748	114,052
Industrial uses market development	19,591	16,162
Industry information & relations	110,330	117,449
Producer communications	245,598	191,965
Total Other Program Expenses	$ 943,132	$ 854,919
Administrative Support Services:		
Kansas Soybean Association administrative contract fees	$ 154,945	$ 132,716
Contracted administration	628	2,556
Insurance	-	3,929
Meeting expenses	8,323	7,085
Travel	-	23
Depreciation	40,018	-
Election costs	1,133	631
Professional services - audits	9,075	8,625
Legal & professional services	4,246	1,595
Postage	1,026	975
Office supplies	22,936	1,177
Total Administrative Support Services	$ 242,330	$ 159,312