

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS

State of Indiana
Statement of Net Assets
June 30, 2011
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Current assets:				
Cash, cash equivalents and investments	\$ 6,545,012	\$ 127,555	\$ 6,672,567	\$ 3,940,480
Securities lending collatera	284,931	-	284,931	188,955
Receivables (net)	2,728,038	89,754	2,817,792	738,026
Intergovernmental receivables	-	-	-	344,582
Inventory	4,423	552	4,975	17,841
Prepaid expenses	84,414	75	84,489	10,461
Loans	90,044	-	90,044	2,789
Due from primary government	-	-	-	16,637
Due from component unit	6,241	-	6,241	-
Due from agency fund	539,697	-	539,697	-
Investment in direct financing lease	-	-	-	62,157
Funds held in trust by others	-	-	-	34,614
Other current assets	-	-	-	71,528
Total current assets	10,282,800	217,936	10,500,736	5,428,070
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	-	-	-	2,362,627
Taxes, interest, and penalties receivable	747,773	-	747,773	4,046
Pollution remediation recovery	10,711	-	10,711	-
Other receivables	222	-	222	1,754,918
Investments - unrestricted	-	-	-	4,759,434
Loans	335,022	-	335,022	2,831,857
Bond issuance costs net of amortization	-	-	-	42,077
Intergovernmental loans	-	-	-	1,812,250
Due from primary government	-	-	-	50,000
Investment in direct financing lease	-	-	-	2,232,883
Deferred outflow - derivative instrument	-	-	-	136,540
Net pension assets	86,621	-	86,621	84
Other postemployment benefits	-	-	-	16,495
Other noncurrent assets	-	-	-	67,119
Capital assets:				
Land	1,623,509	-	1,623,509	450,893
Infrastructure	8,239,152	-	8,239,152	631,485
Construction in progress	1,773,709	-	1,773,709	900,515
Property, plant, and equipment	2,060,560	410	2,060,970	10,546,146
Computer software	37,810	-	37,810	-
Less accumulated depreciation/amortization	(1,218,543)	(326)	(1,218,869)	(4,647,775)
Total capital assets, net of depreciation/amortization	12,516,197	84	12,516,281	7,881,264
Total noncurrent assets	13,696,546	84	13,696,630	23,951,594
Total assets	23,979,346	218,020	24,197,366	29,379,664
Liabilities:				
Current liabilities:				
Accounts payable	1,354,709	551	1,355,260	312,315
Claims payable	-	3,702	3,702	17,765
Interest payable	-	-	-	165,507
Current portion of long-term debt	-	-	-	1,078,203
Line of credit	-	-	-	100,000
Intergovernmental payable	157,552	-	157,552	-
Due to primary government	-	-	-	6,241
Due to component unit	16,637	-	16,637	-
Capital lease payable	47,063	-	47,063	1,567
Accrued prize liability	-	-	-	62,813
Salaries, health, disability, and benefits payable	129,105	472	129,577	135,556
Tax refunds payable	67,528	-	67,528	-
Unearned revenue	183,993	4,614	188,607	306,301
Accrued liability for compensated absences	79,377	203	79,580	82,915
Due to federal government (net)	-	1,868,813	1,868,813	-
Pollution remediation payable	8,698	-	8,698	69
Securities lending payable	32	-	32	-
Securities lending collatera	284,931	-	284,931	188,955
Deposits held in custody for others	-	-	-	78,864
Other current liabilities	-	491	491	16,045
Total current liabilities	2,329,625	1,878,846	4,208,471	2,553,116

State of Indiana
Statement of Net Assets
June 30, 2011
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Long-term liabilities:				
Accrued liability for compensated absences	62,395	269	62,664	73,267
Claims payable	-	29,361	29,361	-
Intergovernmental payable	30,000	-	30,000	-
Accrued prize liability	-	-	-	122,843
Net pension obligations	1,065,925	-	1,065,925	-
Other postemployment benefits	118,229	-	118,229	59,991
Pollution remediation payable	32,610	-	32,610	3,230
Due to component unit	50,000	-	50,000	-
Unearned revenue	-	-	-	3,493,665
Capital lease payable	1,178,249	-	1,178,249	3,081
Funds held in trust for others	-	-	-	175,199
Advances from federal government	-	-	-	29,406
Revenue bonds/notes payable	-	-	-	11,555,607
Derivative instrument liability	-	-	-	136,409
Other noncurrent liabilities	-	-	-	90,192
Total long-term liabilities	2,537,408	29,630	2,567,038	15,742,890
Total liabilities	4,867,033	1,908,476	6,775,509	18,296,006
Net Assets:				
Invested in capital assets net of related debt	11,290,885	84	11,290,969	3,971,413
Restricted-nonexpendable:				
Grants/constitutional restrictions	-	-	-	32,983
Permanent funds	501,125	-	501,125	64,689
Future debt service	-	-	-	234,458
Public safety programs	-	-	-	2,730
Capital projects	-	-	-	4,568
Pension fund distribution	-	-	-	489
Instruction and research	-	-	-	684,115
Student aid	-	-	-	728,610
Other purposes	-	-	-	317,626
Total restricted-nonexpendable	501,125	-	501,125	2,070,268
Restricted-expendable:				
Instruction and research	-	-	-	610,630
Grants/constitutional restrictions	71,990	-	71,990	12,375
Endowments	-	-	-	443,294
Future debt service	-	-	-	221,856
Public safety programs	-	-	-	4,703
Student aid	-	-	-	736,519
Auxiliary enterprises	-	-	-	2,555
Capital projects	-	-	-	265,910
Water pollution and drinking water projects	-	-	-	1,106,895
Other purposes	-	-	-	484,530
Total restricted-expendable	71,990	-	71,990	3,889,267
Unrestricted	7,248,313	(1,690,540)	5,557,773	1,152,710
Total net assets	\$ 19,112,313	\$ (1,690,456)	\$ 17,421,857	\$ 11,083,658

The notes to the financial statements are an integral part of this statement.

**State of Indiana
Statement of Activities
For the Year Ended June 30, 2011**
(amounts expressed in thousands)

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets							
	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total	Component Units
Primary government:								
General government	\$ 2,127,752	\$ 636,558	\$ 193,820	\$ -	\$ (1,297,374)	\$ -	\$ (1,297,374)	\$ -
Public safety	1,402,056	433,810	185,709	-	(782,537)	-	(782,537)	-
Health	344,063	8,129	214,951	-	(120,983)	-	(120,983)	-
Welfare	9,817,167	179,991	7,417,970	-	(2,219,206)	-	(2,219,206)	-
Conservation, culture and development	583,836	149,781	283,293	-	(150,762)	-	(150,762)	-
Education	10,232,388	4,202	1,420,856	-	(8,807,330)	-	(8,807,330)	-
Transportation	1,679,805	46,914	1,222,383	-	(410,508)	-	(410,508)	-
Unallocated interest expense	796	-	-	-	(796)	-	(796)	-
Total governmental activities	26,187,863	1,459,385	10,938,982	-	(13,789,496)	-	(13,789,496)	-
Business-type activities:								
Unemployment Compensation Fund	3,217,559	1,628,446	1,496,679	-	-	(92,434)	(92,434)	-
Malpractice Insurance Authority	2,510	2,761	-	-	-	251	251	-
Inns and Concessions	20,657	23,342	-	-	-	2,685	2,685	-
Total business-type activities	3,240,726	1,654,549	1,496,679	-	-	(89,498)	(89,498)	-
Total primary government	\$ 29,428,589	\$ 3,113,934	\$ 12,435,661	\$ -	(13,789,496)	(89,498)	(13,878,994)	-
Component units:								
Governmental	38,315	221	21,020	-	-	-	-	(17,075)
Proprietary	2,126,513	1,393,876	897,590	11,688	-	-	-	176,641
Colleges and universities	6,057,922	3,127,526	1,132,253	76,140	-	-	-	(1,722,003)
Total component units	\$ 8,222,750	\$ 4,521,623	\$ 2,050,863	\$ 87,828	\$ -	\$ -	\$ -	\$ (1,562,437)
General Revenues:								
Income tax					\$ 5,751,404	\$ -	\$ 5,751,404	\$ -
Sales tax					6,365,077	-	6,365,077	-
Fuels tax					754,863	-	754,863	-
Gaming tax					904,422	-	904,422	1,066
Unemployment tax					320	-	320	-
Inheritance tax					160,917	-	160,917	-
Alcohol & Tobacco tax					464,702	-	464,702	-
Insurance tax					189,948	-	189,948	-
Financial Institutions tax					84,743	-	84,743	-
Other tax					252,176	-	252,176	-
Total taxes					14,928,572	-	14,928,572	1,066
Revenue not restricted to specific programs					-	-	-	-
Investment earnings					22,522	1,750	24,272	896,907
Payments from State of Indiana					-	-	-	1,456,002
Other					35,283	10,000	45,283	652,909
Transfers within primary government					(2,618)	(2,618)	-	-
Total general revenues and transfers					14,988,995	9,132	14,998,127	3,006,884
Changes in net assets					1,199,499	(80,366)	1,119,133	1,444,448
Net assets - beginning, as restated					17,912,814	(1,610,090)	16,302,724	9,639,211
Net assets - ending					19,112,313	(1,690,496)	17,421,857	11,083,658

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

State of Indiana

Balance Sheet

Governmental Funds

June 30, 2011

(amounts expressed in thousands)

	<u>General Fund</u>	<u>Public Welfare- Medicaid Assistance Fund</u>	<u>Major Moves Construction Fund</u>	<u>ARRA of 2009</u>
Assets:				
Cash, cash equivalents and investments-unrestricted	\$ 1,446,921	\$ 119,947	\$ 1,729,832	\$ 3,377
Securities lending collateral	165,654	-	35,338	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	2,030,339	-	-	-
Securities lending	14	-	15	-
Accounts	11,442	9,734	-	-
Grants	-	250,007	-	24,489
Interest	5,422	-	154	-
Interfund loans	290,191	-	-	-
Due from agency fund	539,697	-	-	-
Due from component unit	230	-	-	-
Prepaid expenditures	172	80,210	-	4,204
Loans	15,288	-	-	-
	<u>\$ 4,505,370</u>	<u>\$ 459,898</u>	<u>\$ 1,765,339</u>	<u>\$ 32,070</u>
Liabilities:				
Accounts payable	\$ 143,791	\$ 264,837	\$ 39	\$ 14,661
Salaries and benefits payable	39,810	-	-	3
Interfund loans	-	-	-	-
Interfund services used	2,534	-	-	1
Intergovernmental payable	41,234	-	-	-
Due to component unit	-	-	-	16,637
Tax refunds payable	57,899	-	-	-
Deferred revenue	985,338	56,152	-	25,184
Accrued liability for compensated absences-current	2,539	-	-	-
Pollution remediation payable	-	-	-	-
Securities lending payable	14	-	15	-
Securities lending collateral	165,654	-	35,338	-
	<u>1,438,813</u>	<u>320,989</u>	<u>35,392</u>	<u>56,486</u>
Fund balance:				
Nonspendable:	-	-	-	-
Restricted:	71,990	-	-	-
Committed:	-	-	-	-
Assigned:	602,917	138,909	1,729,947	-
Unassigned:	2,391,650	-	-	(24,416)
	<u>3,066,557</u>	<u>138,909</u>	<u>1,729,947</u>	<u>(24,416)</u>
Total liabilities and fund balances	<u>\$ 4,505,370</u>	<u>\$ 459,898</u>	<u>\$ 1,765,339</u>	<u>\$ 32,070</u>

The notes to the financial statements are an integral part of this statement.

<u>US Department of Transportation</u>	<u>US Department of Health & Human Services</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
\$ 130,257	\$ -	\$ 2,984,594	\$ 6,414,928
-	-	83,939	284,931
-	-	191,425	2,221,764
-	-	3	32
541	-	40,124	61,841
71,203	239,784	210,268	795,751
-	-	201	5,777
-	-	-	290,191
-	-	-	539,697
-	-	6,011	6,241
13	3	120	84,722
-	-	409,778	425,066
<u>\$ 202,014</u>	<u>\$ 239,787</u>	<u>\$ 3,926,463</u>	<u>\$ 11,130,941</u>
\$ 110,068	\$ 62,685	200,331	\$ 796,412
46	6,391	36,284	82,534
-	123,185	167,006	290,191
6	1,301	2,867	6,709
-	-	106,318	147,552
-	-	-	16,637
-	-	9,629	67,528
-	-	204,849	1,271,523
-	367	2,737	5,643
-	-	3	3
-	-	3	32
-	-	83,939	284,931
<u>110,120</u>	<u>193,929</u>	<u>813,966</u>	<u>2,969,695</u>
-	-	501,125	501,125
-	-	-	71,990
-	-	569,870	569,870
91,894	45,858	2,264,879	4,874,404
-	-	(223,377)	2,143,857
<u>91,894</u>	<u>45,858</u>	<u>3,112,497</u>	<u>8,161,246</u>
<u>\$ 202,014</u>	<u>\$ 239,787</u>	<u>\$ 3,926,463</u>	<u>\$ 11,130,941</u>

State of Indiana
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2011
(amounts expressed in thousands)

Total fund balances-governmental funds \$ 8,161,246

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$	1,623,509	
Infrastructure assets		8,239,152	
Construction in progress		1,773,709	
Property, plant, and equipment		2,033,109	
Accumulated depreciation		<u>(1,173,661)</u>	
Total capital assets, net of depreciation			12,495,818

The State's pension funds have net pension assets not reported as assets in the funds. 86,621

Some of the state's receivables will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Taxes receivable		1,087,534	
Accounts receivable		<u>64,632</u>	
			1,152,166

Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Accounts payable		(286,292)	
Salaries, health, disability and benefits payable		(1,608)	
Pollution remediation		<u>(30,594)</u>	
			(318,494)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 117,976

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued liability for compensated absences		(131,932)	
Other postemployment benefits		(118,229)	
Loan from the Indiana Board for Depositories		(50,000)	
Capital lease payable		(1,216,934)	
Net pension obligations		<u>(1,065,925)</u>	
Total long-term liabilities			<u>(2,583,020)</u>

Net assets of governmental activities **\$ 19,112,313**

The notes to the financial statements are an integral part of this statement.



State of Indiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Public Welfare- Medicaid Assistance Fund</u>	<u>Major Moves Construction Fund</u>	<u>ARRA of 2009</u>
Revenues:				
Taxes:				
Income	\$ 5,464,957	\$ -	\$ -	\$ -
Sales	6,257,133	-	-	-
Fuels	-	-	-	-
Gaming	90,674	-	-	-
Unemployment	-	-	-	1
Inheritance	160,912	-	-	-
Alcohol and tobacco	282,549	-	-	-
Insurance	185,858	-	-	-
Financial Institutions	-	-	-	-
Other	229,423	-	-	-
Total taxes	<u>12,671,506</u>	<u>-</u>	<u>-</u>	<u>1</u>
Current service charges	221,268	125,828	-	252
Investment income	22,521	-	113,865	-
Sales/rents	1,094	-	-	-
Grants	49,451	4,467,201	-	1,097,645
Other	34,189	4	-	-
Total revenues	<u>13,000,029</u>	<u>4,593,033</u>	<u>113,865</u>	<u>1,097,898</u>
Expenditures:				
Current:				
General government	957,408	-	-	320,833
Public safety	671,302	-	-	14,690
Health	46,841	-	-	10,653
Welfare	641,873	5,958,202	-	306,195
Conservation, culture and development	74,116	-	-	44,675
Education	8,710,221	-	-	172,781
Transportation	1,970	-	40,609	268,470
Total expenditures	<u>11,103,731</u>	<u>5,958,202</u>	<u>40,609</u>	<u>1,138,297</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,896,298</u>	<u>(1,365,169)</u>	<u>73,256</u>	<u>(40,399)</u>
Other financing sources (uses):				
Transfers in	1,731,406	2,040,353	124,158	885
Transfers (out)	(3,078,812)	(560,830)	(521,785)	(397)
Proceeds from capital lease	-	-	-	-
Total other financing sources (uses)	<u>(1,347,406)</u>	<u>1,479,523</u>	<u>(397,627)</u>	<u>488</u>
Net change in fund balances	548,892	114,354	(324,371)	(39,911)
Fund Balance July 1, as restated	<u>2,517,665</u>	<u>24,555</u>	<u>2,054,318</u>	<u>15,495</u>
Fund Balance June 30	<u>\$ 3,066,557</u>	<u>\$ 138,909</u>	<u>\$ 1,729,947</u>	<u>\$ (24,416)</u>

The notes to the financial statements are an integral part of this statement.

<u>US Department of Transportation</u>	<u>US Department of Health & Human Services</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
\$ -	\$ -	\$ 6,261	\$ 5,471,218
-	-	51,223	6,308,356
-	-	747,569	747,569
-	-	813,749	904,423
-	-	319	320
-	-	-	160,912
-	-	181,062	463,611
-	-	4,090	189,948
-	-	56,726	56,726
-	-	21,414	250,837
-	-	1,882,413	14,553,920
183	744	1,112,064	1,460,339
-	-	34,444	170,830
-	7	18,163	19,264
881,997	1,232,670	3,054,813	10,783,777
11	4,067	56,885	95,156
<u>882,191</u>	<u>1,237,488</u>	<u>6,158,782</u>	<u>27,083,286</u>
505	11,946	840,413	2,131,105
20,919	4,931	637,156	1,348,998
-	141,707	146,351	345,552
-	1,255,885	1,745,986	9,908,141
1,423	-	463,059	583,273
-	1,564	1,230,507	10,115,073
1,002,754	-	983,451	2,297,254
<u>1,025,601</u>	<u>1,416,033</u>	<u>6,046,923</u>	<u>26,729,396</u>
<u>(143,410)</u>	<u>(178,545)</u>	<u>111,859</u>	<u>353,890</u>
394,715	374,005	2,284,509	6,950,031
(7,898)	(60,587)	(2,717,104)	(6,947,413)
-	54	2,941	2,995
<u>386,817</u>	<u>313,472</u>	<u>(429,654)</u>	<u>5,613</u>
243,407	134,927	(317,795)	359,503
<u>(151,513)</u>	<u>(89,069)</u>	<u>3,430,292</u>	<u>7,801,743</u>
<u>\$ 91,894</u>	<u>\$ 45,858</u>	<u>\$ 3,112,497</u>	<u>\$ 8,161,246</u>

State of Indiana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2011
(amounts expressed in thousands)

Net change in fund balances-total governmental funds	\$ 359,503
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report net capital outlays for infrastructure as expenditures. However in the statement of activities these outlays are capitalized and under the modified approach not depreciated. This is the amount of the net capital outlays for infrastructure under the modified approach in the current period.	584,920
Governmental funds report net capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays (\$132,177) exceeds depreciation of \$71,874 in the current period.	(60,303)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Tax revenue	377,201
Non-tax revenue	(3,146)
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.	
Operating expenses	11,648
Statutory expenses	10,000
Amounts due to component units	44,293
The change in net pension assets and net pension obligations do not provide or require the use of current financial resources:	
Increase in net pension assets	(5,145)
Decrease in net pension obligations	(117,844)
The change in other postemployment benefits do not provide or require the use of current financial resources.	(5,824)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, data processing, telecommunications, fleet management, and printing, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.	4,196
Change in net assets of governmental activities.	<u>\$ 1,199,499</u>

The notes to the financial statements are an integral part of this statement.



State of Indiana
Statement of Fund Net Assets
Proprietary Funds
June 30, 2011

(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Assets				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ 55,464	\$ 72,091	\$ 127,555	\$ 130,086
Receivables:				
Accounts	84,826	853	85,679	22,457
Interest	-	612	612	-
Grants	3,463	-	3,463	-
Interfund services provided	-	-	-	6,709
Inventory	-	552	552	4,423
Prepaid expenses	-	75	75	-
Total current assets	<u>143,753</u>	<u>74,183</u>	<u>217,936</u>	<u>163,675</u>
Noncurrent assets:				
Capital assets:				
Property, plant, and equipment	-	410	410	65,261
Less accumulated depreciation	-	(326)	(326)	(44,882)
Total capital assets, net of depreciation	<u>-</u>	<u>84</u>	<u>84</u>	<u>20,379</u>
Total noncurrent assets	<u>-</u>	<u>84</u>	<u>84</u>	<u>20,379</u>
Total assets	<u>143,753</u>	<u>74,267</u>	<u>218,020</u>	<u>184,054</u>
Liabilities				
Current liabilities:				
Accounts payable	-	551	551	8,230
Claims payable	-	3,702	3,702	-
Salaries and benefits payable	-	472	472	1,943
Capital lease payable	-	-	-	306
Health/disability benefits payable	-	-	-	43,020
Accrued liability for compensated absences	-	203	203	2,273
Due to federal government (net)	1,868,813	-	1,868,813	-
Deferred revenue	-	4,614	4,614	310
Other liabilities	-	491	491	-
Total current liabilities	<u>1,868,813</u>	<u>10,033</u>	<u>1,878,846</u>	<u>56,082</u>
Noncurrent liabilities:				
Accrued liability for compensated absences	-	269	269	1,924
Capital lease payable	-	-	-	8,072
Claims payable	-	29,361	29,361	-
Total noncurrent liabilities	<u>-</u>	<u>29,630</u>	<u>29,630</u>	<u>9,996</u>
Total liabilities	<u>1,868,813</u>	<u>39,663</u>	<u>1,908,476</u>	<u>66,078</u>
Net assets				
Invested in capital assets net of related debt	-	84	84	12,001
Unrestricted	(1,725,060)	34,520	(1,690,540)	105,975
Total net assets	<u>\$ (1,725,060)</u>	<u>\$ 34,604</u>	<u>\$ (1,690,456)</u>	<u>\$ 117,976</u>

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Operating revenues:				
Sales/rents/premiums	\$ -	\$ 25,941	\$ 25,941	\$ 490,621
Employer contributions	1,628,446	-	1,628,446	-
Charges for services	-	-	-	8,249
Federal revenues	1,479,968	-	1,479,968	-
Other	-	162	162	148
Total operating revenues	3,108,414	26,103	3,134,517	499,018
Cost of sales	-	4,113	4,113	21,079
Gross margin	3,108,414	21,990	3,130,404	477,939
Operating expenses:				
General and administrative expense	857	17,145	18,002	139,225
Claims expense	-	1,855	1,855	-
Health / disability benefit payments	-	-	-	326,599
Unemployment compensation benefits	3,204,437	-	3,204,437	-
Depreciation and amortization	-	33	33	7,187
Other	12,255	21	12,276	52
Total operating expenses	3,217,549	19,054	3,236,603	473,063
Operating income (loss)	(109,135)	2,936	(106,199)	4,876
Nonoperating revenues (expenses):				
Interest and other investment income	-	1,750	1,750	1
Interest and other investment expense	(10)	-	(10)	(796)
Gain (Loss) on disposition of assets	-	-	-	(13)
Federal grants	16,711	-	16,711	-
Other	-	10,000	10,000	(18)
Total nonoperating revenues (expenses)	16,701	11,750	28,451	(826)
Income before contributions and transfers	(92,434)	14,686	(77,748)	4,050
Capital contributions	-	-	-	146
Transfers in	-	-	-	24,564
Transfers (out)	-	(2,618)	(2,618)	(24,564)
Change in net assets	(92,434)	12,068	(80,366)	4,196
Total net assets, July 1, as restated	(1,632,626)	22,536	(1,610,090)	113,780
Total net assets, June 30	\$ (1,725,060)	\$ 34,604	\$ (1,690,456)	\$ 117,976

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	\$ 2,311,182	\$ 25,674	\$ 2,336,856	\$ 502,056
Cash paid for general and administrative	(13,113)	(17,223)	(30,336)	(139,074)
Cash paid for salary/health/disability benefit payments	-	-	-	(332,159)
Cash paid to suppliers	-	(4,099)	(4,099)	(20,912)
Cash paid for claims expense	(4,138,063)	(4,265)	(4,142,328)	-
Net cash provided (used) by operating activities	(1,839,994)	87	(1,839,907)	9,911
Cash flows from noncapital financing activities:				
Transfers in	-	-	-	24,564
Transfers out	-	(2,618)	(2,618)	(24,564)
Loan from federal government	2,646,627	-	2,646,627	-
Repayment of loan from federal government	(777,814)	-	(777,814)	-
Federal grants	14,699	-	14,699	-
Other	-	-	-	(18)
Net cash provided (used) by noncapital financing activities	1,883,512	(2,618)	1,880,894	(18)
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	-	(28)	(28)	(6,348)
Proceeds from sale of assets	-	-	-	318
Principal payments -- capital leases	-	-	-	(299)
Interest paid	-	-	-	(796)
Net cash provided (used) by capital and related financing activities	-	(28)	(28)	(7,125)
Cash flows from investing activities:				
Proceeds from sales of investments	-	9,006	9,006	-
Purchase of investments	-	(9,880)	(9,880)	-
Interest income (expense) on investments	(10)	3,795	3,785	1
Net cash provided (used) by investing activities	(10)	2,921	2,911	1
Net increase (decrease) in cash and cash equivalents	43,508	362	43,870	2,769
Cash and cash equivalents, July 1	11,956	4,873	16,829	127,317
Cash and cash equivalents, June 30	\$ 55,464	\$ 5,235	\$ 60,699	\$ 130,086
Reconciliation of cash , cash equivalents and investments:				
Cash and cash equivalents unrestricted at end of year	\$ 55,464	\$ 5,235	\$ 60,699	\$ 130,086
Investments unrestricted	-	66,856	66,856	-
Cash, cash equivalents and investments per balance sheet	\$ 55,464	\$ 72,091	\$ 127,555	\$ 130,086
Noncash investing, capital and financing activities:				
Increase (Decrease) in fair value of investments	\$ -	\$ (1,939)	\$ (1,939)	\$ -

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

(amounts expressed in thousands)

	Unemployment Compensation Fund	Non-Major Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (109,135)	\$ 2,936	\$ (106,199)	\$ 4,876
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	-	33	33	7,187
(Increase) decrease in receivables	(19,418)	(177)	(19,595)	(1,278)
(Increase) decrease in interfund services provided	-	-	-	4,468
(Increase) decrease in inventory	-	14	14	174
(Increase) decrease in prepaid expenses	-	3	3	-
Increase (decrease) in claims payable	-	(2,409)	(2,409)	-
Increase (decrease) in health and disability benefits payable	-	-	-	(5,698)
Increase (decrease) in accounts payable	(1,711,441)	26	(1,711,415)	447
Increase (decrease) in deferred revenue	-	(291)	(291)	15
Increase (decrease) in salaries payable	-	(43)	(43)	157
Increase (decrease) in compensated absences	-	(24)	(24)	(402)
Increase (decrease) in other payables	-	19	19	(35)
Net cash provided (used) by operating activities	<u>\$ (1,839,994)</u>	<u>\$ 87</u>	<u>\$ (1,839,907)</u>	<u>\$ 9,911</u>

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011
(amounts expressed in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds	Investment Trust Fund	Agency Funds
Assets:				
Cash, cash equivalents and non-pension investments	\$ 2,871,305	\$ 39,771	\$ -	\$ 348,336
Securities lending collateral	1,106	-	3,858	1,030
Receivables:				
Taxes	-	4,452	-	15,035
Contributions	203,574	-	-	-
Interest	83,292	1	103	-
Member loans	1,302	-	-	-
Interfund	-	-	-	-
Due from other funds	25,160	-	-	-
Due from component unit	1,792	-	-	-
Due from primary government	-	-	-	-
From investment sales	953,698	-	-	-
Other	1,560	-	-	49
Total receivables	<u>1,270,378</u>	<u>4,453</u>	<u>103</u>	<u>15,084</u>
Due from local governmental units	-	-	-	539,697
Pension and other employee benefit investments at fair value:				
Equity Securities	9,928,319	-	-	-
Debt Securities	8,805,549	-	-	-
Mutual Funds and Collective Trust Funds	1,187,639	-	-	-
Other	4,189,340	-	-	-
Total investments	<u>24,110,847</u>	<u>-</u>	<u>-</u>	<u>-</u>
Pool Investments at Amortized Cost:				
Cash and cash equivalents	-	-	441,734	-
U.S. Government Agencies	-	-	72,146	-
Commercial Paper	-	-	105,767	-
Total investments	<u>-</u>	<u>-</u>	<u>619,647</u>	<u>-</u>
Property, plant and equipment net of accumulated depreciation	<u>10,435</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>28,264,071</u>	<u>44,224</u>	<u>623,608</u>	<u>\$ 904,147</u>
Liabilities:				
Accounts/escrows payable	27,061	810	-	\$ 348,385
Salaries and benefits payable	973	-	-	-
Management fee payable	-	-	55	-
Due to other funds	25,160	-	-	-
Benefits payable	99,287	-	-	-
Distributions payable	-	-	3	-
Due to component unit	1,792	-	-	-
Compensated absences	488	-	-	-
Intergovernmental payable	-	1,271	-	-
Securities purchased payable	1,744,105	-	-	-
Securities lending collateral	1,106	-	3,858	1,030
Due to general fund	-	-	-	539,697
Other	-	-	19	15,035
Total liabilities	<u>1,899,972</u>	<u>2,081</u>	<u>3,935</u>	<u>\$ 904,147</u>
Net assets:				
Held in trust for:				
Employees' pension benefits	26,082,819	-	-	-
OPEB benefits	217,235	-	-	-
Future death benefits	11,106	-	-	-
State and local units	52,939	-	-	-
Trust beneficiaries	-	42,143	-	-
Local government investment pool participants	-	-	619,673	-
Total net assets	<u>\$ 26,364,099</u>	<u>\$ 42,143</u>	<u>\$ 619,673</u>	<u>-</u>

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011

(amounts expressed in thousands)

	Pension and Other Employee Benefit Trust Funds	Private-Purpose Trust Funds	Investment Trust Fund
Additions:			
Member contributions	\$ 336,364	\$ 4,120	\$ 816,358
Employer contributions	1,446,998	-	-
Contributions from the State of Indiana	211,263	-	-
Net investment income (loss)	4,157,525	99	1,924
Taxes	-	80,634	-
Less investment expense	(142,089)	-	(1)
Federal reimbursements	1,474	-	-
Donations/escheats	-	79,359	-
Transfers in	15,407	-	-
Reinvestment of distributions	-	-	1,218
Other	2,930	-	-
Total additions	6,029,872	164,212	819,499
Deductions:			
Pension and disability benefits	1,971,568	-	-
Retiree health benefits	10,347	-	-
Death benefits	1,224	-	-
Payments to participants/beneficiaries	-	160,418	1,218
Refunds of contributions and interest	91,447	-	608,030
Administrative	34,399	-	526
Pension relief distributions	219,425	-	-
Capital projects	1,630	-	-
Depreciation	190	-	-
Transfers out	15,410	-	-
Other	2,894	-	180
Total deductions	2,348,534	160,418	609,954
Net increase (decrease) in net assets	3,681,338	3,794	209,545
Net assets held in trust, July 1, as restated	22,682,761	38,349	410,128
Net assets held in trust, June 30	\$ 26,364,099	\$ 42,143	\$ 619,673

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units
June 30, 2011
(amounts expressed in thousands)

	Governmental	Proprietary	Colleges and Universities	Total
Assets:				
Current assets:				
Cash, cash equivalents and investment	\$ 111,692	\$ 2,022,099	\$ 1,806,689	\$ 3,940,480
Securities lending collatera	-	-	188,955	188,955
Receivables (net)	6	347,099	390,921	738,026
Intergovernmental receivable	-	344,582	-	344,582
Inventory	-	629	17,212	17,841
Prepaid expenses	-	5,479	4,982	10,461
Loans receivable	2,789	-	-	2,789
Due from primary government	-	-	16,637	16,637
Investment in direct financing lease	-	62,157	-	62,157
Funds held in trust by other:	-	-	34,614	34,614
Other current assets	-	9,974	61,554	71,528
Total current assets	114,487	2,792,019	2,521,564	5,428,070
Noncurrent assets				
Cash, cash equivalents and investments - restricte	-	227,995	2,134,632	2,362,627
Taxes, interest, and penalties receivable	-	4,046	-	4,046
Other receivables	-	1,398,447	356,471	1,754,918
Investments - unrestricte	-	556,347	4,203,087	4,759,434
Loans receivable	16,709	2,815,148	-	2,831,857
Bond issuance costs net of amortization	-	40,819	1,258	42,077
Intergovernmental loan:	-	1,812,250	-	1,812,250
Due from primary government	-	50,000	-	50,000
Investment in direct financing lease	-	2,232,883	-	2,232,883
Deferred outflow - derivative instrumen	-	134,552	1,988	136,540
Net pension assets	-	84	-	84
Other postemployment benefits	-	-	16,495	16,495
Other noncurrent asset:	-	36,758	30,361	67,119
Capital assets:				
Land	-	237,505	213,388	450,893
Infrastructure	-	317,814	313,671	631,485
Construction in progress	-	260,193	640,322	900,515
Property, plant, and equipment	343	1,399,714	9,146,089	10,546,146
Less accumulated depreciation	(141)	(579,535)	(4,068,099)	(4,647,775)
Capital assets, net of accumulated depreciati	202	1,635,691	6,245,371	7,881,264
Total noncurrent assets	16,911	10,945,020	12,989,663	23,951,594
Total assets	131,398	13,737,039	15,511,227	29,379,664
Liabilities:				
Current liabilities				
Accounts payable	4,311	73,293	234,711	312,315
Claims payable	-	17,765	-	17,765
Interest payable	-	128,520	36,987	165,507
Current portion of long-term deb	-	823,812	254,391	1,078,203
Line of credit	-	100,000	-	100,000
Due to primary governmen	-	6,241	-	6,241
Capital lease payable	-	-	1,567	1,567
Accrued prize liability	-	62,813	-	62,813
Salaries, health, disability, and benefits payabl	274	138	135,144	135,556
Deferred revenue	111	79,294	226,896	306,301
Accrued liability for compensated absence:	294	166	82,455	82,915
Pollution remediation payable	-	-	69	69
Securities lending collatera	-	-	188,955	188,955
Deposits held in custody for other:	-	33,822	45,042	78,864
Other current liabilities:	-	7,724	8,321	16,045
Total current liabilities:	4,990	1,333,588	1,214,538	2,553,116
Long-term liabilities				
Accrued liability for compensated absence:	137	186	72,944	73,267
Accrued prize liability	-	122,843	-	122,843
Other postemployment benefits	-	-	59,991	59,991
Pollution remediation payable	-	3,230	-	3,230
Deferred revenue	-	3,436,173	57,492	3,493,665
Capital lease payable	-	-	3,081	3,081
Funds held in trust for other:	-	-	175,199	175,199
Advances from federal governmen	-	537	28,869	29,406
Revenue bonds/notes payable	-	8,934,657	2,620,950	11,555,607
Derivative instrument liabilit	-	134,421	1,988	136,409
Other noncurrent liabilities:	-	5,356	84,836	90,192
Total long-term liabilities	137	12,637,403	3,105,350	15,742,890
Total liabilities	5,127	13,970,991	4,319,888	18,296,006
Net Assets:				
Invested in capital assets net of related det	202	377,397	3,593,814	3,971,413
Restricted-nonexpendable				
Grants/constitutional restriction:	-	32,983	-	32,983
Permanent funds	-	-	64,689	64,689
Future debt service	-	234,458	-	234,458
Public safety programs	-	-	2,730	2,730
Capital projects	-	-	4,568	4,568
Pension fund distributor	-	489	-	489
Instruction and research	-	-	684,115	684,115
Student aid	-	-	728,610	728,610
Other purposes	-	-	317,626	317,626
Total restricted-nonexpendable	-	267,930	1,802,338	2,070,268
Restricted-expendable				
Instruction and research	-	-	610,630	610,630
Grants/constitutional restriction:	-	57	12,318	12,375
Endowments	-	-	443,294	443,294
Future debt service	-	215,821	6,035	221,856
Public safety programs	-	-	4,703	4,703
Student aid	-	284	736,235	736,519
Auxiliary enterprise:	-	156	2,399	2,555
Capital projects	-	27,688	238,222	265,910
Water pollution and drinking water project:	-	1,106,895	-	1,106,895
Other purposes	-	1,681	482,849	484,530
Total restricted-expendable	-	1,352,582	2,536,685	3,889,267
Unrestricted	126,069	(2,231,861)	3,258,502	1,152,710
Total net assets	\$ 126,271	\$ (233,952)	\$ 11,191,339	\$ 11,083,658

The notes to the financial statements are an integral part of this statement.

**State of Indiana
Combining Statement of Activities
Discretely Presented Component Units
For the Fiscal Year Ended June 30, 2011
(amounts expressed in thousands)**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental	Proprietary	Colleges and Universities	Net (Expense) Revenue
Governmental	\$ 38,315	\$ 221	\$ 21,020	\$ -	\$ (17,075)	\$ -	\$ -	\$ (17,075)
Proprietary	2,126,513	1,393,876	897,590	11,688	-	176,641	-	176,641
Colleges and universities	6,057,922	3,127,526	1,132,253	76,140	-	-	(1,722,003)	(1,722,003)
Total component units	\$ 8,222,750	\$ 4,521,623	\$ 2,050,863	\$ 87,828	(17,075)	176,641	(1,722,003)	(1,562,437)
General Revenues:								
					1,066	-	-	1,066
					-	46,444	850,463	896,907
					-	8,041	1,447,961	1,456,002
					-	326	652,583	652,909
					1,066	54,811	2,951,007	3,006,884
					(16,008)	231,452	1,229,004	1,444,448
					142,280	(465,404)	9,962,335	9,639,211
					\$ 126,271	\$ (233,952)	\$ 11,191,339	\$ 11,083,658

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units -
Proprietary Funds
June 30, 2011
(amounts expressed in thousands)

	Indiana Finance Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority	Board for Depositories	Secondary Market for Education Loans
Assets					
Current assets:					
Cash, cash equivalents and investments	\$ 970,379	\$ 121,146	\$ 513,672	\$ 144,070	\$ 108,412
Receivables (net)	182,830	24,558	148	594	118,195
Intergovernmental receivable	-	344,582	-	-	-
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	1,316
Investment in direct financing lease	60,990	-	-	-	-
Other current assets	66	-	9,908	-	-
Total current assets	1,214,265	490,286	523,728	144,664	227,923
Noncurrent assets:					
Cash, cash equivalents and investments - restricted	-	33,068	54,214	-	-
Taxes, interest, and penalties receivable	-	-	4,046	-	-
Loans receivable	-	-	953,178	-	1,422,212
Investments - unrestricted	392,349	-	52,158	105,820	6,020
Loans	2,815,148	-	-	-	-
Bond issuance costs, net of amortization	13,414	19,828	7,201	-	-
Intergovernmental loans	-	1,812,250	-	-	-
Due from primary government	-	-	-	50,000	-
Investment in direct financing lease	1,279,084	-	-	-	-
Deferred outflow - derivative instrument	105,725	15,380	13,447	-	-
Net pension assets	-	-	-	-	-
Other noncurrent assets	-	-	31,081	4	5,673
Capital assets:					
Land	85,885	-	-	-	-
Infrastructure	266,818	-	-	-	-
Construction in progress	245,534	-	-	-	-
Property, plant, and equipment	1,246,652	-	5,510	209	1,517
Less accumulated depreciation	(446,451)	-	(3,790)	(193)	(1,174)
Total capital assets, net of depreciation	1,398,438	-	1,720	16	343
Total noncurrent assets	6,004,158	1,880,526	1,117,045	155,840	1,434,248
Total assets	7,218,423	2,370,812	1,640,773	300,504	1,662,171
Liabilities					
Current liabilities:					
Accounts payable	19,595	387	16,114	28	7,994
Claims payable	-	-	-	-	-
Interest payable	67,046	38,594	21,454	-	252
Current portion of long-term debt	210,660	406,267	205,260	-	-
Line of credit	-	-	100,000	-	-
Due to primary government	250	-	-	-	-
Accrued prize liability	-	-	-	-	-
Salaries, health, disability, and benefits payable	-	-	-	-	-
Deferred revenue	69,403	-	-	-	-
Accrued liability for compensated absences	-	-	-	-	-
Deposits held in custody for others	-	33,697	125	-	-
Other current liabilities	2,762	-	-	3	-
Total current liabilities	369,716	478,945	342,953	31	8,246
Long-term liabilities:					
Accrued liability for compensated absences	-	-	-	-	-
Accrued prize liability	-	-	-	-	-
Pollution remediation payable	3,230	-	-	-	-
Deferred revenue	3,435,684	489	-	-	-
Advances from federal government	537	-	-	-	-
Revenue bonds/notes payable	4,574,076	1,856,907	953,369	-	1,539,106
Derivative instrument liability	105,594	15,380	13,447	-	-
Other noncurrent liabilities	-	-	2,625	-	1,896
Total long-term liabilities	8,119,121	1,872,776	969,441	-	1,541,002
Total liabilities	8,488,837	2,351,721	1,312,394	31	1,549,248
Net assets					
Invested in capital assets net of related debt	154,477	-	1,720	16	343
Restricted-nonexpendable					
Grants/constitutional restrictions	-	-	32,719	-	-
Future debt service	-	-	223,327	-	11,131
Pension fund distribution	-	-	-	489	-
Total restricted-nonexpendable	-	-	256,046	489	11,131
Restricted-expendable					
Grants/constitutional restrictions	-	-	-	-	-
Future debt service	207,935	3,736	-	-	-
Student aid	-	-	-	-	-
Auxiliary enterprises	-	-	-	-	-
Capital projects	-	-	-	-	-
Water pollution and drinking water projects	1,106,895	-	-	-	-
Other purposes	-	-	-	-	-
Total restricted-expendable	1,314,830	3,736	-	-	-
Unrestricted (deficit)	(2,739,721)	15,355	70,613	299,968	101,449
Total net assets	\$ (1,270,414)	\$ 19,091	\$ 328,379	\$ 300,473	\$ 112,923

The notes to the financial statements are an integral part of this statement.

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State Lottery Commission	Indiana Stadium and Convention Building Authority	Non-Major	IFA & ISCBA Elimination	Total Component Units
\$ 59,920	\$ 58,082	\$ 46,418	\$ -	\$ 2,022,099
22,112	2,480	6,403	(10,221)	347,099
-	-	-	-	344,582
402	-	227	-	629
3,769	-	394	-	5,479
-	1,000	167	-	62,157
-	-	-	-	9,974
86,203	61,562	53,609	(10,221)	2,792,019
135,159	-	5,554	-	227,995
-	-	-	-	4,046
-	-	-	(976,943)	1,398,447
-	-	-	-	556,347
-	-	-	-	2,815,148
-	-	376	-	40,819
-	-	-	-	1,812,250
-	-	-	-	50,000
-	953,337	462	-	2,232,883
-	105,594	-	(105,594)	134,552
-	-	84	-	84
-	-	-	-	36,758
-	-	151,620	-	237,505
-	-	50,996	-	317,814
-	-	14,659	-	260,193
7,854	-	137,972	-	1,399,714
(5,499)	-	(122,428)	-	(579,535)
2,355	-	232,819	-	1,635,691
137,514	1,058,931	239,295	(1,082,537)	10,945,020
223,717	1,120,493	292,904	(1,092,758)	13,737,039
24,588	3,845	1,645	(903)	73,293
-	-	17,765	-	17,765
-	9,221	271	(8,318)	128,520
-	1,000	1,625	(1,000)	823,812
-	-	-	-	100,000
5,991	-	-	-	6,241
62,813	-	-	-	62,813
-	-	138	-	138
870	-	9,021	-	79,294
-	-	166	-	166
-	-	-	-	33,822
1,612	835	2,512	-	7,724
95,874	14,901	33,143	(10,221)	1,333,588
-	-	186	-	186
122,843	-	-	-	122,843
-	-	-	-	3,230
-	-	-	-	3,436,173
-	-	-	-	537
-	976,943	11,199	(976,943)	8,934,657
-	105,594	-	(105,594)	134,421
-	835	-	-	5,356
122,843	1,083,372	11,385	(1,082,537)	12,637,403
218,717	1,098,273	44,528	(1,092,758)	13,970,991
2,355	-	218,486	-	377,397
-	-	264	-	32,983
-	-	-	-	234,458
-	-	-	-	489
-	-	264	-	267,930
-	-	57	-	57
-	-	4,150	-	215,821
-	-	284	-	284
-	-	156	-	156
-	22,220	5,468	-	27,688
-	-	-	-	1,106,895
-	-	1,681	-	1,681
-	22,220	11,796	-	1,352,582
2,645	-	17,830	-	(2,231,861)
\$ 5,000	\$ 22,220	\$ 248,376	\$ -	\$ (233,952)

**State of Indiana
Combining Statement of Activities
Discretely Presented Component Units -
Proprietary Funds
For the Fiscal Year Ended June 30, 2011**
(amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana Finance Authority	Indiana Bond Bank	Indiana Housing and Community Development Authority
Indiana Finance Authority (IFA)	\$ 359,887	\$ 419,994	\$ 102,639	\$ -	\$ 162,746	\$ -	\$ -
Indiana Bond Bank	105,075	606	104,854	-	-	385	-
Indiana Housing and Community Development Authority	671,225	65,412	624,505	-	-	-	18,692
Board for Depositories	2,867	-	986	-	-	-	-
Secondary Market for Educational Loans	23,390	-	39,493	-	-	-	-
State Lottery Commission	788,189	791,552	-	-	-	-	-
Indiana Stadium and Convention Building Authority (ISCBA)	64,372	-	26,899	8,546	-	-	-
Non-Major Proprietary	163,358	163,739	2,637	3,142	-	-	-
IFA & ISCBA Interfund Eliminations	(51,850)	(47,427)	(4,423)	-	-	-	-
Total component units	\$ 2,126,513	\$ 1,393,876	\$ 897,590	\$ 11,688	\$ 162,746	\$ 385	\$ 18,692
General revenues:							
Investment earnings					18,629	191	30,737
Payments from State of Indiana					-	-	-
Other					-	-	-
Total general revenues					18,629	191	30,737
Change in net assets					181,375	576	49,429
Net assets - beginning, as restated					(1,451,789)	18,515	278,950
Net assets - ending					\$ (1,270,414)	\$ 19,091	\$ 328,379

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The notes to the financial statements are an integral part of this statement.

**State of Indiana
Combining Statement of Activities
Discretely Presented Component Units -
Proprietary Funds
For the Fiscal Year Ended June 30, 2011**
(amounts expressed in thousands)

	Net (Expense) Revenue and Changes in Net Assets						
	Board for Depositories	Secondary Market for Education Loans	State Lottery Commission	Indiana Stadium and Convention Building Authority	Non-Major	IFA & ISCBA Interfund Eliminations	Net (Expense) Revenue
Indiana Finance Authority (IFA)	-	-	-	-	-	-	\$ 162,746
Indiana Bond Bank	-	-	-	-	-	-	385
Indiana Housing and Community Development Authority	-	-	-	-	-	-	18,692
Board for Depositories	(1,881)	-	-	-	-	-	(1,881)
Secondary Market for Educational Loans	-	16,103	-	-	-	-	16,103
State Lottery Commission	-	-	3,363	-	-	-	3,363
Indiana Stadium and Convention Building Authority (ISCBA)	-	-	-	(28,927)	-	-	(28,927)
Non-Major Proprietary	-	-	-	-	6,160	-	6,160
IFA and ISCBA Interfund Eliminations	-	-	-	-	-	-	-
Total component units	(1,881)	16,103	3,363	(28,927)	6,160	-	176,641
General revenues:							
Investment earnings	-	-	(3,363)	-	250	-	46,444
Payments from State of Indiana	-	-	-	-	8,041	-	8,041
Other	-	-	-	-	326	-	326
Total general revenues	-	-	(3,363)	-	8,617	-	54,811
Change in net assets	(1,881)	16,103	-	(28,927)	14,777	-	231,452
Net assets - beginning, as restated	302,354	96,820	5,000	51,147	233,599	-	(465,404)
Net assets - ending	\$ 300,473	\$ 112,923	\$ 5,000	\$ 22,220	\$ 248,376	\$ -	\$ (233,952)

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units -
Colleges and Universities
June 30, 2011
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
Assets				
Current assets:				
Cash, cash equivalents and investments	\$ 807,802	\$ 574,252	\$ 424,635	\$ 1,806,689
Securities lending collateral	179,019	9,936	-	188,955
Receivables (net)	124,585	133,082	133,254	390,921
Inventory	12,020	-	5,192	17,212
Prepaid expenses	-	-	4,982	4,982
Due from primary government	9,697	3,060	3,880	16,637
Funds held in trust by others	-	-	34,614	34,614
Other current assets	33,376	26,432	1,746	61,554
Total current assets	1,166,499	746,762	608,303	2,521,564
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	-	2,072,415	62,217	2,134,632
Other receivables	243,096	79,592	33,783	356,471
Investments - unrestricted	2,529,788	861,574	811,725	4,203,087
Bond issuance costs net of amortization	-	-	1,258	1,258
Deferred outflow - derivative instrument	-	-	1,988	1,988
Other postemployment benefits	-	-	16,495	16,495
Other noncurrent assets	-	15,167	15,194	30,361
Capital assets:				
Land	54,439	28,179	130,770	213,388
Infrastructure	160,075	67,840	85,756	313,671
Construction in progress	154,340	332,229	153,753	640,322
Property, plant, and equipment	3,845,106	2,939,465	2,361,518	9,146,089
Less accumulated depreciation	(1,737,998)	(1,391,541)	(938,560)	(4,068,099)
Total capital assets, net of depreciation	2,475,962	1,976,172	1,793,237	6,245,371
Total noncurrent assets	5,248,846	5,004,920	2,735,897	12,989,663
Total assets	6,415,345	5,751,682	3,344,200	15,511,227
Liabilities				
Current liabilities:				
Accounts payable	107,583	76,772	50,356	234,711
Interest payable	17,617	17,188	2,182	36,987
Current portion of long-term debt	48,808	147,570	58,013	254,391
Capital lease payable	1,269	-	298	1,567
Salaries, health, disability, and benefits payable	67,098	37,480	30,566	135,144
Deferred revenue	156,708	37,829	32,359	226,896
Accrued liability for compensated absences	41,585	26,504	14,366	82,455
Pollution remediation payable	-	-	69	69
Securities lending collateral	179,019	9,936	-	188,955
Deposits held in custody for others	516	21,870	22,656	45,042
Other current liabilities	-	-	8,321	8,321
Total current liabilities	620,203	375,149	219,186	1,214,538
Long-term liabilities:				
Accrued liability for compensated absences	24,203	31,797	16,944	72,944
Other postemployment benefits	19,557	27,263	13,171	59,991
Deferred revenue	57,492	-	-	57,492
Capital lease payable	2,069	-	1,012	3,081
Funds held in trust for others	92,067	57,771	25,361	175,199
Advances from federal government	-	19,933	8,936	28,869
Revenue bonds/notes payable	851,304	968,236	801,410	2,620,950
Derivative instrument liability	-	-	1,988	1,988
Other noncurrent liabilities	47,841	7,969	29,026	84,836
Total long-term liabilities	1,094,533	1,112,969	897,848	3,105,350
Total liabilities	1,714,736	1,488,118	1,117,034	4,319,888
Net assets				
Invested in capital assets net of related debt	1,621,228	1,035,092	937,494	3,593,814
Restricted-nonexpendable				
Permanent funds	20,429	-	44,260	64,689
Public safety programs	-	-	2,730	2,730
Capital projects	2,345	-	2,223	4,568
Instruction and research	380,844	271,510	31,761	684,115
Student aid	377,673	254,772	96,165	728,610
Other purposes	252,449	46,814	18,363	317,626
Total restricted-nonexpendable	1,033,740	573,096	195,502	1,802,338
Restricted-expendable				
Instruction and research	278,943	260,375	71,312	610,630
Grants/constitutional restrictions	-	-	12,318	12,318
Endowments	-	443,232	62	443,294
Future debt service	288	-	5,747	6,035
Public safety programs	-	-	4,703	4,703
Student aid	136,803	534,782	64,650	736,235
Auxiliary enterprises	-	4	2,395	2,399
Capital projects	86,327	30,387	121,508	238,222
Other purposes	340,420	131,220	11,209	482,849
Total restricted-expendable	842,781	1,400,000	293,904	2,536,685
Unrestricted (deficit)	1,202,860	1,255,376	800,266	3,258,502
Total net assets	\$ 4,700,609	\$ 4,263,564	\$ 2,227,166	\$ 11,191,339

The notes to the financial statements are an integral part of this statement.

**State of Indiana
Combining Statement of Activities
Discretely Presented Component Units -
Colleges and Universities
For the Year Ended June 30, 2011**
(amounts expressed in thousands)

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana University	Purdue University	Non-Major Colleges and Universities	Net (Expense) Revenue
Indiana University	\$ 2,656,055	\$ 1,543,184	\$ 586,135	\$ 26,549	\$ (500,187)	\$ -	\$ -	\$ (500,187)
Purdue University	1,852,330	975,265	396,884	24,345	-	(455,836)	-	(455,836)
Non-Major Colleges and Universities	1,549,537	609,077	149,234	25,246	-	-	(765,980)	(765,980)
Total component units	\$ 6,057,922	\$ 3,127,526	\$ 1,132,253	\$ 76,140	(500,187)	(455,836)	(765,980)	(1,722,003)
General revenues:								
Investment earnings					343,387	437,794	69,282	850,463
Payments from State of Indiana					549,917	385,300	512,744	1,447,961
Other					144,358	100,721	407,504	652,583
Total general revenues					1,037,662	923,815	989,530	2,951,007
Change in net assets					537,475	467,979	223,550	1,229,004
Net assets - beginning, as restated					4,163,134	3,795,585	2,003,616	9,962,335
Net assets - ending					\$ 4,700,609	\$ 4,263,564	\$ 2,227,166	\$ 11,191,339

The notes to the financial statements are an integral part of this statement.

