

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

REVIEW REPORT
OF
TREASURER OF STATE
STATE OF INDIANA
July 1, 2007 to June 30, 2008



FILED
02/25/2009

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AGENCY OFFICIALS

Office

Official

Term

Treasurer of State

Richard Mourdock

02-10-07 to 02-09-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TREASURER OF STATE

We have reviewed the receipts, disbursements, and assets of the Treasurer of State for the period of July 1, 2007 to June 30, 2008. The Treasurer of State's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Treasurer of State are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations.

STATE BOARD OF ACCOUNTS

January 7, 2009

TREASURER OF STATE
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND PRINCIPAL DUE
As of June 30, 2008

	<u>Common School Fund</u>	<u>IU Permanent Endowment Fund</u>	<u>Purdue Trust Fund</u>
Receipts:			
Fines/Penalties	\$ 6,350,821.26	\$ -	\$ -
Interest	-	41,431.34	17,937.93
Repayment of Loans	39,228,221.41	-	-
Sale of Investments	<u>211,961,028.46</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>257,540,071.13</u>	<u>41,431.34</u>	<u>17,937.93</u>
Disbursements:			
Investment Purchases	199,009,303.47	-	-
Nontaxable Reimbursement	-	-	-
Loan Advances	60,899,604.39	-	-
Distributions	<u>-</u>	<u>42,758.27</u>	<u>18,512.43</u>
Total Disbursements	<u>259,908,907.86</u>	<u>42,758.27</u>	<u>18,512.43</u>
Total Receipts over (under) Disbursements	(2,368,836.73)	(1,326.93)	(574.50)
Cash Balance, July 1, 2006	<u>263,447.31</u>	<u>42,758.27</u>	<u>18,512.43</u>
Cash Balance, June 30, 2007 (Note 2)	<u>\$ (2,105,389.42)</u>	<u>\$ 41,431.34</u>	<u>\$ 17,937.93</u>
Investments, July 1, 2006	\$ 53,752,392.66	\$ 785,300.00	\$ 340,000.00
Purchase of Investments	199,009,303.47	-	-
Sale of Investments	<u>(211,961,028.46)</u>	<u>-</u>	<u>-</u>
Investments, June 30, 2007	<u>\$ 40,800,667.67</u>	<u>\$ 785,300.00</u>	<u>\$ 340,000.00</u>
Interest Received from Investments (Note 1)	<u>\$ 2,111,023.69</u>	<u>\$ 41,431.34</u>	<u>\$ 17,937.93</u>
Loans Outstanding July 1, 2006	\$ 469,752,629.43		
Loan Advances	60,899,604.39		
Repayment of Loans	<u>(39,228,221.41)</u>		
Loans Outstanding June 30, 2007	<u>\$ 491,424,012.41</u>		
Interest Received on Loans (Note 1)	<u>\$ 18,520,716.51</u>		

The accompanying notes are an integral part of this schedule.

TREASURER OF STATE
NOTES TO SCHEDULE
As of June 30, 2008

Note 1. Interest Earned on Common School Fund Loans and Investments

Interest earned on investments made from the Common School Fund was \$2,111,023.69. Interest earned on loans made to schools from the Common School Fund was \$18,520,716.51. A portion of this was collected as accrued interest from the Bond Bank. The Common School Fund Interest is deposited in the State's General Fund and annually appropriated for the support of common schools in accordance with Indiana Code 20-49-3-7.

Note 2. Cash

Cash represents the 'cash' object balances on the Auditor of State's accounting system which consists of funds pooled for the purchase of investments.

TREASURER OF STATE
SCHEDULE OF INVESTMENTS
As of June 30, 2008

Total investments for the Indiana University Permanent Endowment Fund, Purdue University Trust Fund, and Common School Fund:

<u>Description</u>	<u>Maturity Date</u>	<u>Original Cost</u>
Indiana University Permanent Endowment Fund		
Certificates of Deposit		<u>\$ 785,300.00</u>
Purdue University Trust Fund		
Certificates of Deposit		<u>\$ 340,000.00</u>
Common School Fund		
Certificate of Deposit:		
Community First Bank	08-21-08	100,000.00
State Bank of Medora	08-21-08	100,000.00
M&I Marshall & Ilsley Bank	08-21-08	100,000.00
Star Financial Bank	08-21-08	100,000.00
Mainsource Bank	08-21-08	100,000.00
First Merchants Bank	08-21-08	400,000.00
First Financial Bank, N.A.	08-27-08	1,000,000.00
First Merchants Bank, N.A.	08-27-08	1,000,000.00
Fifth Third Bank, Indiana	08-27-08	1,000,000.00
Lake City Bank	08-27-08	1,000,000.00
1st Source Bank	08-27-08	1,000,000.00
Total Certificates of Deposit		<u>5,900,000.00</u>
Government Securities:		
Bank of New York, New York	07-25-08	9,936,000.00
Bank of New York, New York	10-23-08	10,003,000.00
Bank of New York, New York	07-01-08	<u>14,961,667.67</u>
Total Government Securities		<u>34,900,667.67</u>
Total Investments		<u>\$ 40,800,667.67</u>

TREASURER OF STATE
EXIT CONFERENCE

The contents of this report were discussed on February 9, 2009, with Richard Mourdock, Treasurer of State; and Kim Logan, Deputy Treasurer. Our report disclosed no material items that warrant comment at this time.