



STATE OF INDIANA
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February 28, 2012

Mr. Michael Shuter, Executive Director
Indiana Corn Marketing Council
5730 W. 74 Street
Indianapolis, IN 46278-1754

Dear Mr. Shuter:

We have received the audit report prepared by Blue & Co., LLC, Independent Public Accountants, for the period October 1, 2010 to September 30, 2011. Per the auditors' opinion, the audit was conducted in accordance with auditing standards generally accepted in the United States of America and the financial statements included in the report present fairly the financial condition of the Indiana Corn Marketing Council as of September 30, 2011 and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a public record.

STATE BOARD OF ACCOUNTS



FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2011

CPAs / ADVISORS



INDIANA CORN MARKETING COUNCIL

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REPORT OF INDEPENDENT AUDITORS

The Board of Directors
Indiana Corn Marketing Council
Indianapolis, Indiana

We have audited the accompanying statement of assets, liabilities, and net assets - modified cash basis of Indiana Corn Marketing Council (the Council) as of September 30, 2011, and the related statements of support, revenues and expenses - modified cash basis, functional expenses - modified cash basis, and cash flows - modified cash basis for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, these financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Indiana Corn Marketing Council at September 30, 2011, and the changes in its net assets and its cash flows for the year then ended, on the basis of accounting described in Note 2.

The budget amounts shown on the statements of support, revenues and expenses and functional expenses – modified cash basis for the year ended September 30, 2011 are presented for purposes of additional analysis and are not a required part of the basic statements of support, revenues and expenses and functional expenses. The budget amounts have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on this information.

Blue & Co., LLC

November 22, 2011

INDIANA CORN MARKETING COUNCIL

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS (Modified Cash Basis) SEPTEMBER 30, 2011

ASSETS

Cash and cash equivalents	\$ 3,375,720
Prepaid expenses	<u>11,060</u>
	<u>\$ 3,386,780</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 3,994
Payable to Indiana Soybean Alliance, Inc.	206,241
State of Indiana's share of net corn checkoff assessments	181,659
Research grants payable	263,371
Refundable advance	<u>25,925</u>
Total liabilities	681,190
Net assets	
Unrestricted	
Undesignated	1,060,111
Board designated	<u>1,645,479</u>
Total net assets	<u>2,705,590</u>
	<u>\$ 3,386,780</u>

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF SUPPORT, REVENUES, AND EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2011

	<u>Actual</u>	<u>Budget (Unaudited)</u>
Support and revenues		
Checkoff assessments	\$ 4,613,620	\$ 3,675,356
Less: First purchaser handling fee	(110,444)	(110,261)
Less: Refunds	(372,551)	(463,462)
Less: State of Indiana's share of collections	(481,447)	(500,000)
Net checkoff assessments	3,649,178	2,601,633
Interest income	3,666	10,000
Other	37,091	-0-
Total support and revenues	<u>3,689,935</u>	<u>2,611,633</u>
Expenses		
Initiatives		
Livestock	391,698	342,580
Supply and infrastructure	518,716	428,225
New uses	198,886	85,647
Ethanol	619,424	428,225
Societal	921,100	778,225
Program management and leadership support	216,316	330,761
Total initiatives	<u>2,866,140</u>	<u>2,393,663</u>
ICMC Administration	<u>239,660</u>	<u>217,970</u>
Total expenses	<u>3,105,800</u>	<u>2,611,633</u>
Change in net assets	584,135	<u>\$ -0-</u>
Net assets, beginning of year	<u>2,121,455</u>	
Net assets, end of year	<u>\$ 2,705,590</u>	

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF FUNCTIONAL EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2011

	Livestock Initiative	Supply & Infrastructure Initiative	New Uses Initiative	Ethanol Initiative	Societal Initiative	Program Management & Leadership Support	ICMC Administration	2011 Total
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ 135	\$ -0-	\$ -0-	\$ 4,805	\$ 4,940
Equipment maintenance	-0-	-0-	-0-	378	-0-	-0-	-0-	378
Small equipment purchases	-0-	9	-0-	51	26	-0-	-0-	86
Telephone/fax	28	47	-0-	140	-0-	10	98	323
Postage/shipping	38	431	275	636	653	688	2,503	5,224
Printing/copying	1,971	12	35	4,458	7,434	185	-0-	14,095
Office supplies	-0-	81	-0-	353	-0-	525	1,990	2,949
Staff travel	9,721	5,461	1,855	17,540	4,804	15,820	619	55,820
Director travel	6,894	5,706	86	4,767	-0-	16,114	664	34,231
Other travel	723	-0-	-0-	522	644	896	-0-	2,785
Meetings	1,226	3,997	10,688	10,382	2,783	13,947	1,146	44,169
Accounting & compliance	-0-	-0-	-0-	-0-	-0-	-0-	41,706	41,706
Legal fees	-0-	-0-	3,000	925	-0-	-0-	3,405	7,330
Consulting fees	1,500	5,745	4,077	44,882	23,690	21,698	-0-	101,592
ISA contracted services	101,045	91,244	28,251	139,531	73,838	105,603	177,004	716,516
Data processing fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Grants	152,528	358,224	120,000	71,369	-0-	-0-	-0-	702,121
Depreciation	-0-	-0-	-0-	9,521	-0-	-0-	-0-	9,521
Donations	672	267	602	2,054	285	4,869	51	8,800
Dues & memberships	25,787	1,330	-0-	5,288	-0-	106	-0-	32,511
Subscriptions	60	-0-	-0-	29	1,020	349	-0-	1,458
Interest expense	-0-	-0-	-0-	-0-	-0-	-0-	3,585	3,585
Temporary help	7	-0-	-0-	-0-	-0-	-0-	327	334
Staff training	-0-	-0-	-0-	-0-	-0-	1,834	-0-	1,834
Advertising	7,437	-0-	-0-	11,064	102,222	-0-	917	121,640
Agency services	5,204	2,209	29,966	36,733	158,113	842	840	233,907
Project supplies	8	17,791	51	6,625	4,351	9	-0-	28,835
Project merchandise	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Signs/displays	-0-	-0-	-0-	426	-0-	-0-	-0-	426
Warehouse/fulfillment	-0-	-0-	-0-	150	-0-	-0-	-0-	150
Booth rental	1,847	1,067	-0-	299	969	-0-	-0-	4,182
Registration fees	9,106	895	-0-	1,016	335	253	-0-	11,605
Audio/videos	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sponsorship/award	65,896	24,200	-0-	250,150	539,933	32,568	-0-	912,747
Total expense	391,698	518,716	198,886	619,424	921,100	216,316	239,660	3,105,800
Budgeted expense (unaudited)	342,580	428,225	85,647	428,225	778,225	330,761	217,970	2,611,633
Variance	\$ (49,118)	\$ (90,491)	\$ (113,239)	\$ (191,199)	\$ (142,875)	\$ 114,445	\$ (21,690)	\$ (494,167)

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF CASH FLOWS (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2011

Operating activities	
Change in net assets	\$ 584,135
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Changes in assets and liabilities:	
Expense reimbursement receivable	55,000
Prepaid expenses	59,092
Accounts payable	(25,955)
Payable to Indiana Soybean Alliance, Inc.	(29,455)
State of Indiana's share of net corn checkoff assessments	56,659
Research grants payable	(2,256)
Refundable advance	25,925
Net cash flows from operating activities	<u>723,145</u>
Cash and cash equivalents, beginning of year	<u>2,652,575</u>
Cash and cash equivalents, end of year	<u>\$ 3,375,720</u>

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011

1. NATURE OF ACTIVITIES

In June 2007, the Indiana Legislature enacted into law Indiana Code 15-4-10 (amended by Indiana Code 15-15-12 on August 1, 2009), the Indiana Corn Market Development Law, which requires a checkoff assessment on certain types of corn marketed in the State of Indiana. The Indiana Corn Marketing Council (ICMC) is a public body corporate and politic organization located in Indianapolis, Indiana established to facilitate the corn checkoff assessment program in Indiana and communicate information relating to the conduct, implementation, or results of promotion, research, and market development activities relating to corn or corn products to appropriate government officials. Proceeds of the checkoff assessment may not be used to influence legislation or governmental action or policy. ICMC is separate from the State of Indiana; however, the exercise by ICMC of its powers constitutes an essential governmental function.

Indiana Code 15-15-12 requires ICMC to review the refunds for each fiscal year and if refunds exceed twenty-five percent (25%) in two consecutive years, ICMC shall cease collecting the assessment on January 1 of the subsequent year; maintain a sufficient amount of money to pay for any refunds requested by producers; and request that the legislative council have legislation prepared to repeal the corn market law.

Indiana Code 15-15-12 also requires that total administration expenses may not exceed 10% of gross corn checkoff assessments collected for the year.

The initiatives (programs) of ICMC are as follows:

Livestock Initiative – conducts projects to increase consumption of corn and corn co-products for a strong livestock industry and increase the utilization of ethanol co-products by Indiana farm raised fish through the growth of the Indiana aquaculture industry. In fiscal year 2011, this initiative targeted activities such as farmer education, business development and expansion, and livestock co-product research and studies.

Supply and Infrastructure Initiative – conducts projects to increase corn production through innovative grain marketing efforts which include grain quality improvement, transportation improvement, and production research and international marketing efforts. In fiscal year 2011, this initiative targeted activities such as corn production, marketing/market development, and transportation and infrastructure.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011

New Uses Initiative – conducts projects to invest in research and development that will find economically sound new uses for corn and corn by-products. In fiscal year 2011, this initiative targeted activities such as the student corn innovation competition.

Ethanol Initiative – conducts projects to increase the production, availability, and use of ethanol in Indiana. In fiscal year 2011, this initiative targeted activities such as consumer education, environmental programs, ethanol production expansion, target audience education and cellulosic research.

Societal Initiative – conducts projects to develop and maintain strong communication programs to promote Indiana corn and corn uses while educating the public, policymakers and media on issues important to the agricultural industry. In fiscal year 2011, this initiative targeted activities such as key influencer and organizational communications.

Program Management and Leadership Initiative – includes expenses relating to board meetings, leadership development and program management and support for the other initiatives.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

ICMC prepares its financial statements on a modified cash basis of accounting. Under that basis, corn checkoff assessments are recognized when received rather than when earned, and first purchaser handling fees and refunds are recognized when paid rather than when the obligation is incurred. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America primarily because ICMC has not recognized receivables for corn checkoff assessments, accruals for estimated first purchaser handling fees, accruals for estimated refunds, and their related effects on the change in net assets. Contributions are recognized when pledged by the donor. All other revenues are recognized when earned. ICMC accrues the State of Indiana's share of corn checkoff assessments ratably based on the maximum amount that could be due on July 1 of each year. ICMC accrues research grants in which ICMC has minimal involvement in the year the Board approves the grant for funding rather than at the time the expenses are incurred. Research grants in which ICMC has significant involvement are expensed as incurred. All other expenses are recognized on the accrual basis.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011

Basis of Presentation

Net assets, support and revenues are classified based on the existence or absence of donor-imposed restrictions. Unrestricted net assets are net assets not subject to donor-imposed restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. Accordingly, the net assets of ICMC and the changes therein are classified and reported as unrestricted net assets.

Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

ICMC considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates market value, and consist of repurchase agreements.

Checkoff Assessment Revenue

Indiana Code 15-15-12 requires that a checkoff assessment of one-half cent (\$0.005) per bushel shall be collected by first purchasers on all applicable corn sold in Indiana, and that this checkoff assessment be remitted to ICMC on a quarterly basis. Checkoff assessments are recognized in the period the cash is received.

First Purchaser Handling Fees and Refunds

First purchasers who remit assessments timely are entitled to retain 3% of the total corn checkoff assessments as a handling fee. First purchaser handling fees are deducted from gross corn checkoff assessments in the Statement of Support, Revenues, and Expenses and are recognized in the period in which the net checkoff assessments are received by ICMC.

A producer is entitled to a refund of the corn checkoff assessment if the producer applies for a refund within 180 days after the corn checkoff assessment was deducted from the sale price of the producer's corn. Refunds are deducted from gross corn checkoff assessments in the Statement of Support, Revenues, and Expenses and are recognized when paid.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011

State of Indiana's Share of Net Corn Checkoff Assessments

Effective August 1, 2009, ICMC was required to remit \$500,000 to the State of Indiana on July 1, 2010 for deposit in the State's retail merchant E85 deduction reimbursement fund. On July 1, 2011, and each year thereafter, ICMC is required to remit the amount necessary to replenish the fund balance to \$500,000. The annual amount owed to the State of Indiana under this requirement may not exceed \$500,000.

On July 1, 2011, ICMC was required to remit \$424,788 to replenish this fund. ICMC then began accruing a pro rata monthly amount to bring the remaining accrual of \$75,212 to the maximum of \$500,000 over the next twelve months. The resulting accrual at September 30, 2011 was \$181,659.

Functional Allocation of Expenses

The costs of providing the programs and services of ICMC have been summarized on a functional basis in the Statement of Support, Revenues, and Expenses. Accordingly, certain costs have been allocated among the programs and supporting activities benefited.

Income Taxes

ICMC is exempt from income taxes under Section 501(c)(6) of the United States Internal Revenue Code. As such, ICMC is generally exempt from income taxes but is required to file Federal Form 990 – Return of Organization Exempt from Income Tax, which is an informational return only.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by ICMC and recognize a tax liability if ICMC has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by ICMC, and has concluded that as of September 30, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. ICMC is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Subsequent Events

ICMC evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through November 22, 2011, which is the date the financial statements were available to be issued.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011

3. BOARD DESIGNATED NET ASSETS

At September 30, 2011, board designated net assets represent the amounts that have been designated by the Board of Directors for the following uses:

Livestock	\$	75,000
Supply and infrastructure		60,479
Production and environmental		200,000
Grain supply and infrastructure		150,000
New uses		155,000
Ethanol		650,000
Societal		230,000
FFA convention support		25,000
Legacy project - State Fair		100,000
	\$	<u>1,645,479</u>

4. TRANSACTIONS WITH THE INDIANA SOYBEAN ALLIANCE, INC

The Indiana Soybean Alliance, Inc. (ISA) is an Indiana not-for-profit organization established to conduct soybean promotion, research, consumer information, producer communication, industry information and market development activities. It is responsible for carrying out both checkoff and non-checkoff activities in Indiana.

ICMC has a service agreement with the ISA in which all salaries and benefits are paid by ISA and the amount allocable to ICMC is reimbursed by ICMC along with all other costs that are directly allocable to ICMC. Other general services that are reimbursed by ICMC include office costs and other agreed upon overhead expenses. The amount reimbursed for the expenses under this contract to the ISA for the year ended September 30, 2011 was \$716,516.

ICMC and ISA also had a joint operating agreement related to a biofuels mobile learning center owned by ISA under which ISA agreed to devote one-half of the biofuels mobile learning center space to ICMC and ICMC agreed to reimburse ISA for one-half of all costs of operating the center, including depreciation. The biofuels mobile learning center was sold in June 2011 for \$60,000, of which ICMC received \$30,000. This amount is included in other income in the Statement of Support, Revenues and Expenses. ICMC reimbursed to ISA expenses totaling \$9,521 which represented depreciation expense during the year ended September 30, 2011.

At September 30, 2011, ICMC had an amount payable to ISA of \$206,241.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2011

5. CONCENTRATIONS

ICMC maintains its cash and cash equivalents in bank deposit accounts which generally exceed federally insured limits. To mitigate its risk of loss, ICMC utilizes repurchase agreements in which the amount that is invested in these agreements is secured by United States government securities. ICMC has not experienced any losses in its accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

6. CONDITIONAL GRANT LIABILITY

In fiscal year 2011, ICMC initiated the Flex Fuel Pump Grant Program. This program offers grants to retailers for the installation of flex fuel pumps to dispense mid-level blends of ethanol. ICMC will award grants up to 50% of the cost of installation, not to exceed \$20,000 individually. The retailer must apply for the grant and provide proof of the total cost incurred for the installation of the flex fuel pump. Once this documentation has been received, ICMC will conduct an inspection of the pump. After the inspection has been conducted, the grant is awarded to the retailer. ICMC will record the grant liability and expense once the inspection has been conducted and the grant has been awarded. As of September 30, 2011, ICMC had received documentation supporting \$200,000 of grants but no inspections had been conducted; therefore, no liability or expense was recorded in ICMC's financial statements.



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REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY INFORMATION

The Board of Directors
Indiana Corn Marketing Council
Indianapolis, Indiana

Our report on our audit of the financial statements of Indiana Corn Marketing Council for the year ended September 30, 2011 appears on page one. The audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 13 through 21 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

Blue & Co., LLC

November 22, 2011

INDIANA CORN MARKETING COUNCIL

LIVESTOCK INITIATIVE EXPENSES YEAR ENDED SEPTEMBER 30, 2011

	Livestock Implementation	Farmer Education	Expansion Information	Business Development	DDGS	Total
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Equipment maintenance	-0-	-0-	-0-	-0-	-0-	-0-
Small equipment purchases	-0-	-0-	-0-	-0-	-0-	-0-
Telephone/fax	-0-	19	-0-	9	-0-	28
Postage/shipping	37	-0-	-0-	1	-0-	38
Printing/copying	-0-	1,971	-0-	-0-	-0-	1,971
Office supplies	-0-	-0-	-0-	-0-	-0-	-0-
Staff travel	4,196	5,181	-0-	344	-0-	9,721
Director travel	38	6,837	-0-	-0-	19	6,894
Other travel	-0-	723	-0-	-0-	-0-	723
Meetings	614	585	-0-	27	-0-	1,226
Accounting & compliance	-0-	-0-	-0-	-0-	-0-	-0-
Legal fees	-0-	-0-	-0-	-0-	-0-	-0-
Consulting fees	-0-	-0-	1,500	-0-	-0-	1,500
ISA contracted services	101,019	-0-	-0-	26	-0-	101,045
Data processing fees	-0-	-0-	-0-	-0-	-0-	-0-
Grants	-0-	-0-	-0-	99,871	52,657	152,528
Depreciation	-0-	-0-	-0-	-0-	-0-	-0-
Donations	267	405	-0-	-0-	-0-	672
Dues & memberships	137	13,600	-0-	12,050	-0-	25,787
Subscriptions	60	-0-	-0-	-0-	-0-	60
Interest expense	-0-	-0-	-0-	-0-	-0-	-0-
Temporary help	7	-0-	-0-	-0-	-0-	7
Staff training	-0-	-0-	-0-	-0-	-0-	-0-
Advertising	500	6,937	-0-	-0-	-0-	7,437
Agency services	28	5,176	-0-	-0-	-0-	5,204
Project supplies	-0-	-0-	-0-	8	-0-	8
Project merchandise	-0-	-0-	-0-	-0-	-0-	-0-
Signs/displays	-0-	-0-	-0-	-0-	-0-	-0-
Warehouse/fulfillment	-0-	-0-	-0-	-0-	-0-	-0-
Booth rental	-0-	-0-	-0-	1,847	-0-	1,847
Registration fees	76	8,955	-0-	75	-0-	9,106
Audio/videos	-0-	-0-	-0-	-0-	-0-	-0-
Sponsorship/award	-0-	61,696	-0-	4,200	-0-	65,896
Total expense	106,979	112,085	1,500	118,458	52,676	391,698
Budgeted expense	138,080	94,500	50,000	35,000	25,000	342,580
Variance	\$ 31,101	\$ (17,585)	\$ 48,500	\$ (83,458)	\$ (27,676)	\$ (49,118)

See report of independent auditors on supplementary information on page 12.

INDIANA CORN MARKETING COUNCIL

SUPPLY AND INFRASTRUCTURE INITIATIVE EXPENSES YEAR ENDED SEPTEMBER 30, 2011

	Implementation	Corn Production	Marketing Development	Transportation	Total
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Equipment maintenance	-0-	-0-	-0-	-0-	-0-
Small equipment purchases	9	-0-	-0-	-0-	9
Telephone/fax	47	-0-	-0-	-0-	47
Postage/shipping	149	276	6	-0-	431
Printing/copying	12	-0-	-0-	-0-	12
Office supplies	67	-0-	14	-0-	81
Staff travel	5,137	25	289	10	5,461
Director travel	442	19	5,245	-0-	5,706
Other travel	-0-	-0-	-0-	-0-	-0-
Meetings	988	-0-	3,006	3	3,997
Accounting & compliance	-0-	-0-	-0-	-0-	-0-
Legal fees	-0-	-0-	-0-	-0-	-0-
Consulting fees	5,295	450	-0-	-0-	5,745
ISA contracted services	90,829	357	-0-	58	91,244
Data processing fees	-0-	-0-	-0-	-0-	-0-
Grants	-0-	279,703	-0-	78,521	358,224
Depreciation	-0-	-0-	-0-	-0-	-0-
Donations	267	-0-	-0-	-0-	267
Dues & memberships	300	-0-	-0-	1,030	1,330
Subscriptions	-0-	-0-	-0-	-0-	-0-
Interest expense	-0-	-0-	-0-	-0-	-0-
Temporary help	-0-	-0-	-0-	-0-	-0-
Staff training	-0-	-0-	-0-	-0-	-0-
Advertising	-0-	-0-	-0-	-0-	-0-
Agency services	1,648	-0-	-0-	-0-	1,648
Project supplies	169	17,500	122	561	17,791
Project merchandise	-0-	-0-	-0-	-0-	-0-
Signs/displays	-0-	-0-	-0-	-0-	-0-
Warehouse/fulfillment	-0-	-0-	-0-	-0-	-0-
Booth rental	205	112	-0-	750	1,067
Registration fees	895	-0-	-0-	-0-	895
Audio/videos	-0-	-0-	-0-	-0-	-0-
Sponsorship/award	500	6,075	8,625	9,000	24,200
Total expense	106,959	304,517	17,307	89,933	518,716
Budgeted expense	147,974	157,751	16,000	106,500	428,225
Variance	\$ 41,015	\$ (146,766)	\$ (1,307)	\$ 16,567	\$ (90,491)

See report of independent auditors on supplementary information on page 12.

INDIANA CORN MARKETING COUNCIL

NEW USES INITIATIVE EXPENSES YEAR ENDED SEPTEMBER 30, 2011

	Implementation	Research & Project Development	Student Contest	Total
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Equipment maintenance	-0-	-0-	-0-	-0-
Small equipment purchases	-0-	-0-	-0-	-0-
Telephone/fax	-0-	-0-	-0-	-0-
Postage/shipping	40	20	215	275
Printing/copying	-0-	6	29	35
Office supplies	-0-	-0-	-0-	-0-
Staff travel	1,728	-0-	127	1,855
Director travel	-0-	9	77	86
Other travel	-0-	-0-	-0-	-0-
Meetings	154	-0-	10,534	10,688
Accounting & compliance	-0-	-0-	-0-	-0-
Legal fees	3,000	-0-	-0-	3,000
Consulting fees	-0-	3,100	977	4,077
ISA contracted services	27,752	26	473	28,251
Data processing fees	-0-	-0-	-0-	-0-
Grants	-0-	-0-	120,000	120,000
Depreciation	-0-	-0-	-0-	-0-
Donations	602	-0-	-0-	602
Dues & memberships	-0-	-0-	-0-	-0-
Subscriptions	-0-	-0-	-0-	-0-
Interest expense	-0-	-0-	-0-	-0-
Temporary help	-0-	-0-	-0-	-0-
Staff training	-0-	-0-	-0-	-0-
Advertising	-0-	-0-	-0-	-0-
Agency services	7,486	-0-	-0-	7,486
Project supplies	-0-	-0-	22,480	22,480
Project merchandise	-0-	-0-	51	51
Signs/displays	-0-	-0-	-0-	-0-
Warehouse/fulfillment	-0-	-0-	-0-	-0-
Booth rental	-0-	-0-	-0-	-0-
Registration fees	-0-	-0-	-0-	-0-
Audio/Videos	-0-	-0-	-0-	-0-
Sponsorship/award	-0-	-0-	-0-	-0-
Total expense	40,762	3,161	154,963	198,886
Budgeted expense	24,427	11,220	50,000	85,647
Variance	\$ (16,335)	\$ 8,059	\$ (104,963)	\$ (113,239)

See report of independent auditors on supplementary information on page 12.

INDIANA CORN MARKETING COUNCIL

ETHANOL INITIATIVE EXPENSES YEAR ENDED SEPTEMBER 30, 2011

	Implementation	Consumer Education	Environmental Programs	Ethanol Production Expansion	Target Audience Education	Cellulosic Research	Total
Insurance/bonds	\$ -0-	\$ 114	\$ -0-	\$ -0-	\$ 21	\$ -0-	\$ 135
Equipment maintenance	-0-	378	-0-	-0-	-0-	-0-	378
Small equipment purchases	51	-0-	-0-	-0-	-0-	-0-	51
Telephone/fax	92	-0-	-0-	48	-0-	-0-	140
Postage/shipping	158	28	-0-	-0-	450	-0-	636
Printing/copying	42	-0-	-0-	-0-	4,416	-0-	4,458
Office supplies	353	-0-	-0-	-0-	-0-	-0-	353
Staff travel	17,232	31	-0-	109	168	-0-	17,540
Director travel	4,587	-0-	-0-	-0-	180	-0-	4,767
Other travel	731	(209)	-0-	-0-	-0-	-0-	522
Meetings	596	500	-0-	3,273	6,013	-0-	10,382
Accounting & compliance	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Legal fees	-0-	-0-	-0-	925	-0-	-0-	925
Consulting fees	528	16,687	-0-	27,270	397	-0-	44,882
ISA contracted services	130,825	888	64	1,741	5,817	196	139,531
Data processing fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Grants	-0-	-0-	-0-	13,250	-0-	58,119	71,369
Depreciation	-0-	9,521	-0-	-0-	-0-	-0-	9,521
Donations	267	37	-0-	-0-	1,750	-0-	2,054
Dues & memberships	5,288	-0-	-0-	-0-	-0-	-0-	5,288
Subscriptions	29	-0-	-0-	-0-	-0-	-0-	29
Interest expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Temporary help	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Staff training	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Advertising	-0-	438	-0-	835	9,791	-0-	11,064
Agency services	42	437	-0-	4,224	32,030	-0-	36,733
Project supplies	2,690	903	-0-	139	2,893	-0-	6,625
Project merchandise	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Signs/displays	426	-0-	-0-	-0-	-0-	-0-	426
Warehouse/fu fillment	-0-	150	-0-	-0-	-0-	-0-	150
Booth rental	284	-0-	-0-	15	-0-	-0-	299
Registration fees	903	-0-	-0-	113	-0-	-0-	1,016
Audio/videos	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sponsorship/award	17,500	70,300	-0-	-0-	162,350	-0-	250,150
Total expense	182,624	100,203	64	51,942	226,276	58,315	619,424
Budgeted expense	210,213	41,300	24,000	71,712	61,000	20,000	428,225
Variance	\$ 27,589	\$ (58,903)	\$ 23,936	\$ 19,770	\$ (165,276)	\$ (38,315)	\$ (191,199)

See report of independent auditors on supplementary information on page 12.

INDIANA CORN MARKETING COUNCIL

SOCIETAL INITIATIVE EXPENSES YEAR ENDED SEPTEMBER 30, 2011

	Implementation	Key Influencer Communication	Organizational Communication	NCGA Allocation	Total
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Equipment maintenance	-0-	-0-	-0-	-0-	-0-
Small equipment purchases	26	-0-	-0-	-0-	26
Telephone/fax	-0-	-0-	-0-	-0-	-0-
Postage/shipping	-0-	653	-0-	-0-	653
Printing/copying	-0-	7,434	-0-	-0-	7,434
Office supplies	-0-	-0-	-0-	-0-	-0-
Staff travel	3,812	704	288	-0-	4,804
Director travel	-0-	-0-	-0-	-0-	-0-
Other travel	-0-	437	207	-0-	644
Meetings	181	2,602	-0-	-0-	2,783
Accounting & compliance	-0-	-0-	-0-	-0-	-0-
Legal fees	-0-	-0-	-0-	-0-	-0-
Consulting fees	1,514	15,048	7,128	-0-	23,690
ISA contracted services	72,136	1,390	312	-0-	73,838
Data processing fees	-0-	-0-	-0-	-0-	-0-
Grants	-0-	-0-	-0-	-0-	-0-
Depreciation	-0-	-0-	-0-	-0-	-0-
Donations	267	8	10	-0-	285
Dues & memberships	-0-	-0-	-0-	-0-	-0-
Subscriptions	-0-	220	800	-0-	1,020
Interest expense	-0-	-0-	-0-	-0-	-0-
Temporary help	-0-	-0-	-0-	-0-	-0-
Staff training	-0-	-0-	-0-	-0-	-0-
Advertising	-0-	3,872	98,350	-0-	102,222
Agency services	12,478	144,151	1,484	-0-	158,113
Project supplies	7	4,339	5	-0-	4,351
Project merchandise	-0-	-0-	-0-	-0-	-0-
Signs/displays	-0-	-0-	-0-	-0-	-0-
Warehouse/fulfillment	-0-	-0-	-0-	-0-	-0-
Booth rental	-0-	-0-	969	-0-	969
Registration fees	335	-0-	-0-	-0-	335
Audio/videos	-0-	-0-	-0-	-0-	-0-
Sponsorship/award	-0-	128,833	-0-	411,100	539,933
Total expense	90,756	309,691	109,553	411,100	921,100
Budgeted expense	117,842	160,099	150,284	350,000	778,225
Variance	\$ 27,086	\$ (149,592)	\$ 40,731	\$ (61,100)	\$ (142,875)

See report of independent auditors on supplementary information on page 12.

INDIANA CORN MARKETING COUNCIL

PROGRAM MANAGEMENT AND LEADERSHIP SUPPORT EXPENSES YEAR ENDED SEPTEMBER 30, 2011

	Management & Leadership - Initiatives	Leadership Support/ Board Governance	Leadership Development	Total
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Equipment maintenance	-0-	-0-	-0-	-0-
Small equipment purchases	-0-	-0-	-0-	-0-
Telephone/fax	10	-0-	-0-	10
Postage/shipping	1	683	4	688
Printing/copying	63	122	-0-	185
Office supplies	25	500	-0-	525
Staff travel	11,847	3,956	17	15,820
Director travel	800	15,314	-0-	16,114
Other travel	896	-0-	-0-	896
Meetings	4,379	9,568	-0-	13,947
Accounting & compliance	-0-	-0-	-0-	-0-
Legal fees	-0-	-0-	-0-	-0-
Consulting fees	21,330	60	308	21,698
ISA contracted services	92,857	10,772	1,974	105,603
Data processing fees	-0-	-0-	-0-	-0-
Grants	-0-	-0-	-0-	-0-
Depreciation	-0-	-0-	-0-	-0-
Donations	403	4,466	-0-	4,869
Dues & memberships	106	-0-	-0-	106
Subscriptions	124	-0-	225	349
Interest expense	-0-	-0-	-0-	-0-
Temporary help	-0-	-0-	-0-	-0-
Staff training	1,834	-0-	-0-	1,834
Advertising	-0-	-0-	-0-	-0-
Agency services	167	675	-0-	842
Project supplies	9	-0-	-0-	9
Project merchandise	-0-	-0-	-0-	-0-
Signs/displays	-0-	-0-	-0-	-0-
Warehouse/fulfillment	-0-	-0-	-0-	-0-
Booth rental	-0-	-0-	-0-	-0-
Registration fees	253	-0-	-0-	253
Audio/videos	-0-	-0-	-0-	-0-
Sponsorship/award	2,000	1,000	29,568	32,568
Total expense	137,104	47,116	32,096	216,316
Budgeted expense	249,862	65,000	15,899	330,761
Variance	\$ 112,758	\$ 17,884	\$ (16,197)	\$ 114,445

See report of independent auditors on supplementary information on page 12.

INDIANA CORN MARKETING COUNCIL

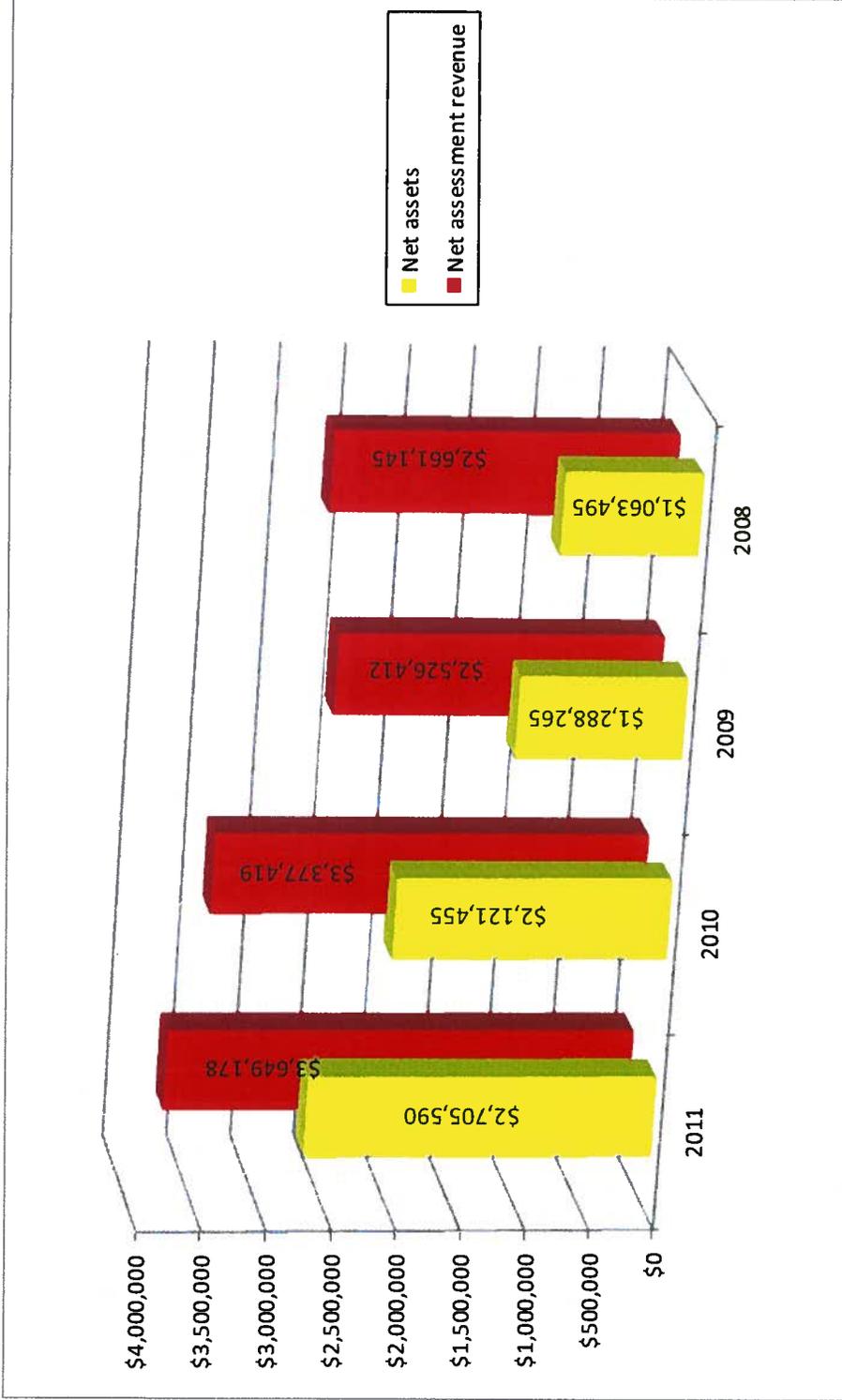
ICMC ADMINISTRATION EXPENSES YEAR ENDED SEPTEMBER 30, 2011

Insurance/bonds	\$	4,805
Equipment maintenance		-0-
Small equipment purchases		-0-
Telephone/fax		98
Postage/shipping		2,503
Printing/copying		-0-
Office supplies		1,990
Staff travel		619
Director travel		664
Other travel		-0-
Meetings		1,146
Accounting & compliance		41,706
Legal fees		3,405
Consulting fees		-0-
ISA contracted services		177,004
Data processing fees		-0-
Grants		-0-
Depreciation		-0-
Donations		51
Dues & memberships		-0-
Subscriptions		-0-
Interest expense		3,585
Temporary help		327
Staff training		-0-
Advertising		917
Agency services		840
Project supplies		-0-
Project merchandise		-0-
Signs/displays		-0-
Warehouse/fulfillment		-0-
Booth rental		-0-
Registration fees		-0-
Audio/videos		-0-
Sponsorship/award		-0-
Total expense		<u>239,660</u>
Budgeted expense		<u>217,970</u>
Variance	\$	<u>(21,690)</u>

See report of independent auditors on supplementary information on page 12.

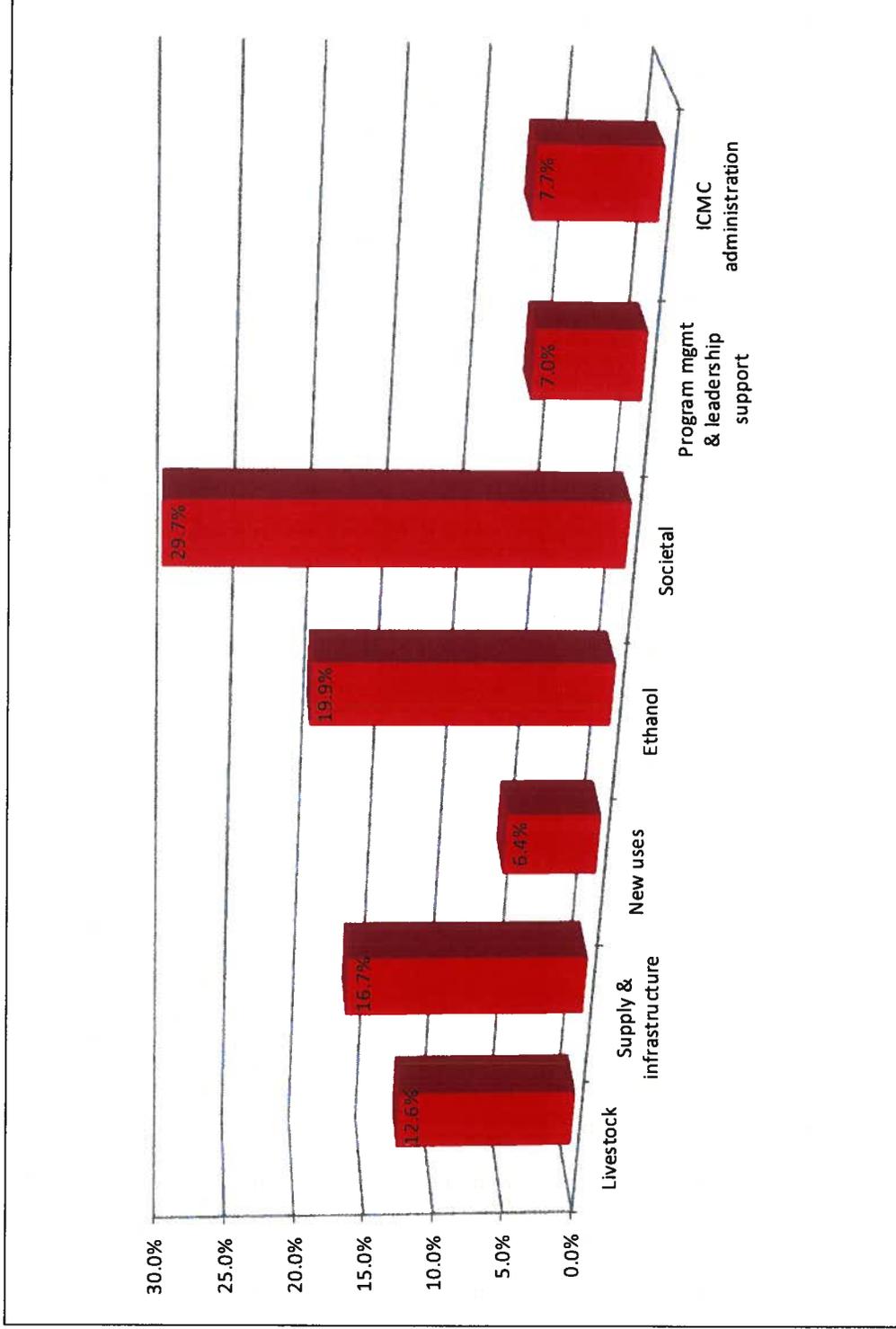
INDIANA CORN MARKETING COUNCIL

GRAPH OF NET ASSETS AND
NET CHECKOFF ASSESSMENT REVENUE
AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2011 THROUGH 2008



INDIANA CORN MARKETING COUNCIL

GRAPH OF TOTAL EXPENSES BY INITIATIVE YEAR ENDED SEPTEMBER 30, 2011



Percentages reflected above are the initiative expenses as a percentage of total expenses. Indiana Code 15-15-12 requires total administration expenses to be 10% or less of gross corn checkoff assessments collected for the year. ICMC's administration expenses as a percentage of gross corn checkoff assessments were 5.2% for the year ended September 30, 2011.