

**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, 2011 to June 30, 2012



**FILED**  
04/16/2014



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Agency Official .....	2
Independent Accountant's Report.....	3
Required Schedules in Accordance with Indiana Code 20-49-3-14:	
Schedule of Receipts, Disbursements, and Principle Due .....	4
Notes to Schedule .....	5
Schedule of Investments .....	6
Exit Conference.....	7

AGENCY OFFICIAL

Office

Official

Term

Treasurer of State

Richard Mourdock

02-10-07 to 12-31-14



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE TREASURER OF STATE

We have reviewed the Schedule of Receipts, Disbursements, and Principle Due, Schedule of Investments, and the activities related to the receipts, disbursements, and assets of the Treasurer of State for the period of July 1, 2011 to June 30, 2012. The Treasurer of State's management is responsible for the Schedule of Receipts, Disbursements, and Principle Due, Schedule of Investments, and the activities related to 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 Schedule of Receipts, Disbursements, and Principle Due, Schedule of Investments, and the activities related to the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of the Treasurer of State are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports. Federal programs are included in the scope of our statewide single audits as reflected in the Statewide Single Audit Reports.

Based on our review, nothing came to our attention that caused us to believe that the Schedule of Receipts, Disbursements, and Principle Due, Schedule of Investments, and the activities related to the receipts, disbursements, and assets of the Treasurer of State for the period of July 1, 2011 to June 30, 2012, are not presented, in all material respects, in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, and applicable laws and regulations.

This report is intended solely for the information and use of the Treasurer of State's management and others within the entity and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the Indiana State Board of Accounts and of the office reviewed.

STATE BOARD OF ACCOUNTS

February 4, 2014

TREASURER OF STATE  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND PRINCIPLE DUE  
As of June 30, 2012

	Common School Fund	IU Permanent Endowment Fund	Purdue Trust Fund
Receipts:			
Fines/Penalties	\$ 5,703,911.27	\$ -	\$ -
Interest	-	3,275.36	890.99
Repayment of Loans	29,713,032.12	-	-
Sale of Investments	<u>332,117,412.96</u>	-	-
Total Receipts	<u>367,534,356.35</u>	<u>3,275.36</u>	<u>890.99</u>
Disbursements:			
Investment Purchases	320,913,749.41	-	-
Loan Advances	48,716,997.43	-	-
Distributions	-	<u>3,941.33</u>	<u>1,718.88</u>
Total Disbursements	<u>369,630,746.84</u>	<u>3,941.33</u>	<u>1,718.88</u>
Total Receipts over (under) Disbursements	(2,096,390.49)	(665.97)	(827.89)
Transfers	-	-	-
Cash Balance, July 1, 2011	<u>7,241,203.50</u>	<u>3,941.33</u>	<u>1,718.88</u>
Cash Balance, June 30, 2012 (Note 2)	<u>\$ 5,144,813.01</u>	<u>\$ 3,275.36</u>	<u>\$ 890.99</u>
Investments, July 1, 2011	\$ 152,138,659.44	\$ 785,300.00	340,000.00
Purchase of Investments	320,913,749.41	-	-
Sale of Investments	<u>(332,117,412.96)</u>	-	-
Investments, June 30, 2012	<u>\$ 140,934,995.89</u>	<u>\$ 785,300.00</u>	<u>\$ 340,000.00</u>
Interest Received from Investments (Note 1)	<u>\$ 278,954.98</u>	<u>\$ 3,275.36</u>	<u>\$ 890.99</u>
Loans Outstanding July 1, 2011	\$ 392,633,241.66		
Loan Advances	48,716,997.43		
Repayment of Loans	<u>(29,713,032.12)</u>		
Loans Outstanding June 30, 2012	<u>\$ 411,637,206.97</u>		
Interest Received on Loans (Note 1)	<u>\$ 10,401,826.01</u>		

The accompanying notes are an integral part of this schedule.

TREASURER OF STATE  
NOTES TO SCHEDULE  
As of June 30, 2012

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

Interest earned on investments made from the Common School Fund was \$278,954.98. Interest earned on loans made to schools from the Common School Fund was \$10,401,826.01. 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" account 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, 2012

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

<u>Description</u>	<u>Maturity Date</u>	<u>Original Cost</u>
Common School Fund		
Certificate of Deposit:		
Lake City Bank	07-11-12	\$ 1,000,000.00
1st Source Bank	07-11-12	1,000,000.00
State Bank of Medora	07-12-12	100,000.00
Mainsource Bank	07-12-12	100,000.00
Bank of New York	10-03-12	9,981,158.33
Bank of New York	04-26-13	5,000,000.00
Bank of New York	09-17-12	9,992,500.00
Bank of New York	07-23-12	9,996,766.67
Bank of New York	07-03-12	9,997,783.33
Bank of New York	12-26-12	9,991,250.00
Bank of New York	12-19-12	24,981,041.67
Bank of New York	03-14-13	10,000,000.00
Bank of New York	10-30-12	10,008,627.50
Bank of New York	11-21-16	5,000,000.00
Bank of New York	11-14-16	5,016,955.56
Bank of New York	02-01-13	4,999,600.00
Bank of New York	02-27-17	4,500,000.00
Bank of New York	09-06-16	10,174,241.67
Bank of New York	07-06-15	5,055,021.44
Bank of New York	12-03-15	2,019,500.00
Bank of New York	08-10-16	<u>2,020,549.72</u>
Total Certificates of Deposit		<u>\$ 140,934,995.89</u>
Indiana University Permanent Endowment Fund		
Certificate of Deposit:		
Providence Bank	09-13-12	<u>\$ 785,300.00</u>
Purdue University Endowment Fund		
Certificate of Deposit:		
Huntington National Bank	04-18-13	<u>\$ 340,000.00</u>

TREASURER OF STATE  
EXIT CONFERENCE

The contents of this report were discussed on March 18, 2014, with Mike Frick, Chief Deputy Treasurer. Our report disclosed no material items that warrant comment at this time.