

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

INDIANA NATURAL RESOURCES FOUNDATION

July 1, 2011 to June 30, 2013



**FILED**  
06/25/2014



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairperson	Ian Rolland Missi Bush-Sawtelle	07-01-11 to 06-30-12 07-01-12 to 06-30-14
Executive Director	Bourke Patton	07-01-11 to 06-30-14



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE INDIANA NATURAL RESOURCES FOUNDATION

We have examined the accompanying financial statements of the Indiana Natural Resources Foundation (Foundation), for the period of July 1, 2011 to June 30, 2013. The financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on the financial statements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Foundation prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Foundation for the period of July 1, 2011 to June 30, 2013.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Foundation for the period of July 1, 2011 to June 30, 2013, on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the Foundation's management, Board of Directors, 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 State Board of Accounts and of the office examined.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

May 29, 2014

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## FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Foundation. The financial statements and notes are presented as intended by the Foundation.

INDIANA NATURAL RESOURCES FOUNDATION  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
As of and for the Year Ended June 30, 2012

	Special Revenue Funds		Nonexpendable Trust Fund	Totals (Memorandum Only)
	Operating Fund Unrestricted	Operating Fund Restricted	Endowment Fund	
Cash and investments, July 1	\$ 116,301	\$ 644,271	\$ 100,000	\$ 860,572
Receipts:				
Private gifts, grants, bequests	81,292	994,640	-	1,075,932
Interest income	37,551	3,853	-	41,404
Total receipts	<u>118,843</u>	<u>998,493</u>	<u>-</u>	<u>1,117,336</u>
Disbursements:				
Promotions	-	-	-	-
Grants	-	-	-	-
Contractor fees and payroll taxes	73,375	-	-	73,375
Miscellaneous	23,960	555,473	-	579,433
Total disbursements	<u>97,335</u>	<u>555,473</u>	<u>-</u>	<u>652,808</u>
Excess of total receipts over total disbursements	<u>21,508</u>	<u>443,020</u>	<u>-</u>	<u>464,528</u>
Cash and investments, June 30	<u>\$ 137,809</u>	<u>\$ 1,087,291</u>	<u>\$ 100,000</u>	<u>\$ 1,325,100</u>

The accompanying notes are an integral part of the statements.

INDIANA NATURAL RESOURCES FOUNDATION  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
As of and for the Year Ended June 30, 2013

	Special Revenue Funds		Nonexpendable Trust Fund	Totals (Memorandum Only)
	Operating Fund Unrestricted	Operating Fund Restricted	Endowment Fund	
Cash and investments, July 1	\$ 137,809	\$ 1,087,291	\$ 100,000	\$ 1,325,100
Receipts:				
Private gifts, grants, bequests	72,289	10,574,716	-	10,647,005
Interest income	123,341	21,879	-	145,220
Total receipts	195,630	10,596,595	-	10,792,225
Disbursements:				
Promotions	-	-	-	-
Grants	-	-	-	-
Contractor fees	95,556	-	-	95,556
Miscellaneous	761	667,299	-	668,060
Total disbursements	96,317	667,299	-	763,616
Excess of total receipts over total disbursements	99,313	9,929,296	-	10,028,609
Cash and investments, June 30	\$ 237,122	\$ 11,016,587	\$ 100,000	\$ 11,353,709

The accompanying notes are an integral part of the statements.

INDIANA NATURAL RESOURCES FOUNDATION  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting**

A. Reporting Entity

The Indiana Natural Resources Foundation (Foundation) is a governmental unit, separate in body, corporate and politic, of the State of Indiana. Its mission is to promote, support, assist, sustain and encourage charitable, educational and scientific programs, projects and policies of the Indiana Department of Natural Resources.

The accompanying financial statements present the financial information for the Foundation.

B. Basis of Accounting

The financial statements are reported on regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred.

C. Cash and Investment

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of investment.

**Note 2. Deposits and Investments**

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation. This includes any deposit accounts issued or offered by a qualifying financial institution.

Indiana Code 5-13 authorizes the Board to invest securities including, but not limited to federal government securities, repurchase agreements, and certain money market mutual funds.

INDIANA NATURAL RESOURCES FOUNDATION  
EXIT CONFERENCE

The contents of this report were discussed on May 29, 2014, with Bourke Patton, Executive Director, and Cheryl Hampton, Administrative Assistant. Our examination disclosed no material items that warrant comment at this time.