

**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, 2013 to June 30, 2015



**FILED**  
10/21/2016



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#### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairperson	Missi Bush-Sawtelle	07-01-12 to 06-30-20
Executive Director	Bouke Patton	07-01-13 to 11-25-16
	(Vacant)	11-26-16 to 03-13-16
	Jody Kress	03-14-16 to 12-31-16



**STATE OF INDIANA**  
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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, 2013 to June 30, 2015. 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, 2013 to June 30, 2015.

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, 2013 to June 30, 2015, on the basis of accounting described in Note 1.

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

September 1, 2016

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## FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

The financial statements and accompanying notes were prepared 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, 2014

	<u>Special Revenue Funds</u>		<u>Nonexpendable Trust Fund</u>	<u>Totals (Memorandum Only)</u>
	<u>Operating Fund Unrestricted</u>	<u>Operating Fund Restricted</u>	<u>Endowment Fund</u>	
Cash and Investments, July 1	\$ 237,122	\$ 11,016,587	\$ 100,000	\$ 11,353,709
Receipts:				
Private gifts, grants, bequests	104,766	1,538,202	-	1,642,968
Interest Income	<u>103,718</u>	<u>156,169</u>	<u>-</u>	<u>259,887</u>
 Total Receipts	 \$ 208,484	 \$ 1,694,371	 \$ -	 \$ 1,902,855
Disbursements				
Contractor Fees & Payroll Taxes	125,643	-	-	125,643
Miscellaneous	<u>9,937</u>	<u>944,703</u>	<u>-</u>	<u>954,640</u>
 Total Disbursements	 \$ 135,580	 \$ 944,703	 \$ -	 \$ 1,080,283
 Excess of total receipts over total disbursements	 \$ 72,904	 \$ 749,668	 \$ -	 \$ 822,572
 Cash and investments, June 30	 \$ 310,026	 \$ 11,766,255	 \$ 100,000	 \$ 12,176,281

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, 2015

	<u>Special Revenue Funds</u>		<u>Nonexpendable Trust Fund</u>	<u>Totals (Memorandum Only)</u>
	<u>Operating Fund Unrestricted</u>	<u>Operating Fund Restricted</u>	<u>Endowment Fund</u>	
Cash and Investments, July 1	\$ 310,026	\$ 11,766,255	\$ 100,000	\$ 12,176,281
Receipts:				
Private gifts, grants, bequests	180,107	489,957	-	670,064
Interest Income	9,193	46,167	-	55,360
Total Receipts	\$ 189,300	\$ 536,124	\$ -	\$ 725,424
Disbursements				
Contractor Fees & Payroll Taxes	79,338	-	-	79,338
Miscellaneous	19,586	445,463	-	465,049
Total Disbursements	\$ 98,924	\$ 445,463	\$ -	\$ 544,387
Excess of total receipts over total disbursements	\$ 90,376	\$ 90,661	\$ -	\$ 181,037
Cash and investments, June 30	\$ 400,402	\$ 11,856,916	\$ 100,000	\$ 12,357,318

The accompanying notes are an integral part of the statements.

**INDIANA NATURAL RESOURCES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies**

**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 a 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 basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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 Investments**

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.

**D. Interfund Transfers**

The Foundation may, from time to time, transfer money from one fund to another. These transfers, if any, are included as transfers in and transfers (out) under Other Financing Sources and Uses of the affected funds.

**E. Fund Accounting**

Separate funds are established, maintained, and reported by the Foundation. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Foundation. The money accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the Foundation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

**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 insured up to \$250,000 by the Federal Depositary 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.