

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

FINANCIAL STATEMENTS REVIEW REPORT  
OF  
INDIANA NATURAL RESOURCES FOUNDATION  
July 1, 2015 to June 30, 2017



**FILED**  
09/06/2019



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairperson	Missi Bush-Sawtelle	07-01-15 to 06-30-20
Executive Director	Bourke Patton (Vacant) Jody Kress	07-01-15 to 11-25-15 11-26-15 to 03-13-16 03-14-16 to 06-30-20



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

TO: THE OFFICIALS OF THE INDIANA NATURAL RESOURCES FOUNDATION

We have reviewed the accompanying financial statements of the Indiana Natural Resources Foundation (Foundation), for the period of July 1, 2015 to June 30, 2017. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Foundation's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with a regulatory 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. This includes determining that the basis of accounting the Foundation uses is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or error.

***Accountant's Responsibility***

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the prescribed basis of accounting described in Note 1. We believe that the results of our procedures provide a reasonable basis for our conclusion.


INDEPENDENT ACCOUNTANT'S REVIEW REPORT  
(Continued)

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the prescribed basis of accounting described in Note 1.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with 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. Our conclusion is not modified with respect to this matter.

  
Paul D. Joyce, CPA  
State Examiner

July 22, 2019

## 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 - REGULATORY BASIS  
As Of And For The Year Ended June 30, 2016

	Special Revenue Funds		Nonexpendable Trust Fund	Totals (Memorandum Only)
	Operating Fund Unrestricted	Operating Fund Restricted	Endowment Fund	
Cash and Investments, July 1	\$ 338,126	\$ 11,927,653	\$ 100,000	\$ 12,365,779
Receipts:				
Private gifts, grants, bequests	63,261	711,996	50,000	825,257
Interest Income	<u>18,260</u>	<u>56,824</u>	<u>-</u>	<u>75,084</u>
Total Receipts	<u>\$ 81,521</u>	<u>\$ 768,820</u>	<u>\$ 50,000</u>	<u>\$ 900,341</u>
Disbursements				
Contractor Fees	64,844	-	-	64,844
Miscellaneous	<u>9,148</u>	<u>517,921</u>	<u>-</u>	<u>527,069</u>
Total Disbursements	<u>\$ 73,992</u>	<u>\$ 517,921</u>	<u>\$ -</u>	<u>\$ 591,913</u>
Excess of total receipts over total disbursements	<u>\$ 7,529</u>	<u>\$ 250,899</u>	<u>\$ 50,000</u>	<u>\$ 308,428</u>
Cash and investments, June 30	<u>\$ 345,655</u>	<u>\$ 12,178,552</u>	<u>\$ 150,000</u>	<u>\$ 12,674,207</u>

The accompanying notes are an integral part of the statements.

INDIANA NATURAL RESOURCES FOUNDATION  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
As Of And For The Year Ended June 30, 2017

	Special Revenue Funds		Nonexpendable Trust Fund	Totals (Memorandum Only)
	Operating Fund Unrestricted	Operating Fund Restricted	Endowment Fund	
Cash and Investments, July 1	\$ 345,655	\$ 12,178,552	\$ 150,000	\$ 12,674,207
Receipts:				
Private gifts, grants, bequests	35,357	965,038	-	1,000,395
Interest Income	<u>113,714</u>	<u>91,323</u>	<u>-</u>	<u>205,037</u>
Total Receipts	<u>\$ 149,071</u>	<u>\$ 1,056,361</u>	<u>\$ -</u>	<u>\$ 1,205,432</u>
Disbursements				
Contractor Fees	98,696	-	-	98,696
Miscellaneous	<u>5,983</u>	<u>5,871,597</u>	<u>-</u>	<u>5,877,580</u>
Total Disbursements	<u>\$ 104,679</u>	<u>\$ 5,871,597</u>	<u>\$ -</u>	<u>\$ 5,976,276</u>
Excess of total receipts over total disbursements	<u>\$ 44,392</u>	<u>\$ (4,815,236)</u>	<u>\$ -</u>	<u>\$ (4,770,844)</u>
Cash and investments, June 30	<u>\$ 390,047</u>	<u>\$ 7,363,316</u>	<u>\$ 150,000</u>	<u>\$ 7,903,363</u>

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 celebrate and preserve Indiana's natural legacy by raising funds to support the Indiana Department of Natural Resources and its programs.

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 Indiana 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.

*C. Cash and Investments*

Investments are stated at fair value.

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts include the following sources:

Donations, grants, programs, administrative, interest and dividends.

*E. Disbursements*

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements include the following uses:

*Personal services.* Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

INDIANA NATURAL RESOURCES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*Supplies.* Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges.* Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

**Note 2. Budgets**

The operating budget is initially prepared and approved by the Foundation board. The fiscal officer of the Foundation submits a proposed operating budget to the governing board for the following calendar year. The budget is reviewed and approved in the June board meeting.

**Note 3. Deposits and Investments**

Deposits should be insured to the limits offered by the Federal Depository Insurance Corporation. This includes any deposit accounts issued or offered by a qualifying financial institution.

**Note 4. Restatement**

For the year ended June 30, 2016, certain changes have been made to some of the beginning balances of the financial statements to more appropriately reflect financial activity of the Foundation. The following schedule presents a summary of restated beginning balances:

Fund	Balance as of June 30, 2015	New Fund	Prior Period Adjustment	Balance as of July 1, 2015
Restricted	\$ 11,856,916	Restricted	\$ 70,737	\$ 11,927,653
Unrestricted	\$ 400,402	Unrestricted	\$ (62,276)	\$ 338,126
Endowment Fund	\$ 100,000	Endowment Fund	\$ 0	\$ 100,000
Balance	\$ 12,357,318	Balance	\$ 8,461	\$ 12,365,779

INDIANA NATURAL RESOURCES FOUNDATION  
EXIT CONFERENCE

The contents of this report were discussed on July 22, 2019, with Missi Bush-Sawtelle, Chairperson; Jody Kress, Executive Director; and Mike Smith, Department of Natural Resources Deputy Director.