

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

COMPLIANCE REPORT
OF
TREASURER OF STATE
STATE OF INDIANA
July 1, 2019 to June 30, 2020



FILED
10/25/2021

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AGENCY OFFICIAL

Office

Official

Term

Treasurer of State

Kelly Mitchell

01-01-15 to 12-31-22



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE TREASURER OF STATE

This report is supplemental to our audit of the State of Indiana Comprehensive Annual Financial Report, for the period July 1, 2019 to June 30, 2020. Financial transactions of the Treasurer of State are included in the scope of our audit of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Report.

Pursuant to Indiana Code 20-49-3-14 and 21-7-14-7, we have performed certain procedures to the Schedule of Receipts, Disbursements, and Principle Due and Schedule of Investments of the Common School Fund and the Indiana University Permanent Endowment Fund for the period of July 1, 2019 to June 30, 2020. Because our procedures were not designed to opine on the schedules, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on the statements.

The Treasurer of State's management is responsible for the Schedule of Receipts, Disbursements, and Principal Due and Schedule of Investments of the Common School Fund and the Indiana University Permanent Endowment Fund.

The procedures we performed did not indicate any instances of substantial noncompliance that warrant comment at this time. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

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.

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

August 17, 2021

TREASURER OF STATE
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND PRINCIPAL DUE
As of June 30, 2020

	Common School Fund	IU Permanent Endowment Fund
Receipts:		
Fines/Penalties	\$ 2,180,457.79	\$ -
Interest	-	17,111.25
Escheated Estates - Abandoned Property	104,772.10	-
Prior Period Adjustment	-	-
Repayment of Loans	56,571,517.06	-
Sale of Investments	<u>456,739,023.66</u>	<u>-</u>
Total Receipts	<u>515,595,770.61</u>	<u>17,111.25</u>
Disbursements:		
Investment Purchases	453,657,079.69	-
Nontaxable Reimbursement	-	-
Loan Advances	48,703,997.76	-
Accts Payable	17,245.89	-
Distributions	<u>-</u>	<u>20,128.55</u>
Total Disbursements	<u>502,378,323.34</u>	<u>20,128.55</u>
Total Receipts over (under) Disbursements	<u>13,217,447.27</u>	<u>(3,017.30)</u>
Transfers	-	-
Cash Balance, July 1, 2019	<u>2,121,669.15</u>	<u>20,128.55</u>
Cash Balance, June 30, 2020 (Note 2)	<u>\$ 15,339,116.42</u>	<u>17,111.25</u>
Investments, July 1, 2019	\$ 279,191,969.81	\$ 785,300.00
Purchase of Investments	453,657,079.69	-
Sale of Investments	<u>(456,739,023.66)</u>	<u>-</u>
Investments, June 30, 2020	<u>\$ 276,110,025.84</u>	<u>\$ 785,300.00</u>
Interest Received from Investments (Note 1)	<u>\$ 6,444,078.98</u>	<u>\$ 17,111.25</u>
Loans Outstanding July 1, 2019	\$ 305,628,517.73	
Loan Advances	48,703,997.76	
Repayment of Loans	<u>(56,571,517.06)</u>	
Loans Outstanding June 30, 2020	<u>\$ 297,760,998.43</u>	
Interest Received on Loans (Note 1)	<u>\$ 5,599,890.67</u>	

The accompanying notes are an integral part of this schedule.

TREASURER OF STATE
NOTES TO SCHEDULE
As of June 30, 2020

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

Interest earned on investments made from the Common School Fund as of June 30, 2020, was \$6,444,079.

Interest earned on loans made to schools from the Common School Fund as of June 30, 2020, was \$5,599,891. 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, 2020**

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

<u>Description</u>	<u>Maturity Date</u>	<u>Original Cost</u>
Common School Fund		
Certificate of Deposit:		
Lake City Bank	7/2/2020	\$ 1,000,000.00
1st Source Bank	7/2/2020	1,000,000.00
State Bank of Medora	7/3/2020	100,000.00
Mainsource Bank	7/3/2020	<u>100,000.00</u>
Total Certificates of Deposit		<u>\$ 2,200,000.00</u>
Treasury Bills		
Bank of New York	11/19/2020	\$ 29,977,600.00
Bank of New York	12/17/2020	\$ 14,987,108.33
Bank of New York	6/17/2021	<u>24,959,552.08</u>
		<u>69,924,260.41</u>
Treasury Notes		
Bank of New York	10/31/2020	\$ 9,983,593.75
Bank of New York	8/15/2020	<u>20,136,057.69</u>
		<u>30,119,651.44</u>
Government Agency Discount Notes		
Bank of New York	9/28/2020	\$ 19,953,333.33
Bank of New York	9/15/2020	<u>24,939,000.00</u>
		<u>44,892,333.33</u>
Government Agency Coupons		
Bank of New York	8/28/2020	10,000,000.00
Bank of New York	1/4/2021	10,000,000.00
Bank of New York	8/28/2020	14,992,350.00
Bank of New York	3/12/2021	14,947,132.05
Bank of New York	6/11/2021	10,000,000.00
Bank of New York	8/12/2024	10,000,000.00
Bank of New York	3/3/2022	10,000,000.00
Bank of New York	6/9/2021	4,000,000.00
Bank of New York	1/13/2023	10,000,000.00
Bank of New York	3/10/2022	10,027,736.11
Bank of New York	3/16/2023	<u>15,006,562.50</u>
Total Government Coupons		<u>\$ 118,973,780.66</u>
Local Government Investment Pool		
Bank of New York	12/31/2020	<u>\$ 10,000,000.00</u>
Total Local Government Investment Pool		<u>\$ 10,000,000.00</u>
Total Investments of Common School Fund		<u>\$ 276,110,025.84</u>
Indiana University Permanent Endowment Fund		
Certificates of Deposit	9/10/2020	<u>\$ 785,300.00</u>
Total Investments of IU Perm Endowment		<u>785,300.00</u>
Total Investments		<u>\$ 276,895,325.84</u>

TREASURER OF STATE
EXIT CONFERENCE

The contents of this report were discussed on August 17, 2021, with Mike Frick, Chief Deputy Treasurer/Portfolio Manager.