



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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March 8, 2023

Board of Directors  
Indiana Corn Marketing Council  
8425 Keystone Crossing, Suite 200  
Indianapolis, IN 46240

We have received the audit report of the Indiana Corn Marketing Council, which was opined upon by Blue & Co., LLC, Independent Public Accountants, for the period October 1, 2021 to September 30, 2022. Per the *Report of Independent Auditors*, the financial statements included in the report present fairly the financial condition of the Indiana Corn Marketing Council as of September 30, 2022, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The audit report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner



**FINANCIAL STATEMENTS**

**AND**

**SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2022**

*CPAs / ADVISORS*



# INDIANA CORN MARKETING COUNCIL

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## REPORT OF INDEPENDENT AUDITORS

Board of Directors  
Indiana Corn Marketing Council  
Indianapolis, Indiana

### Opinion

We have audited the accompanying financial statements of Indiana Corn Marketing Council, Inc. (ICMC), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of September 30, 2022, and the related statements of support, revenues and expenses - modified cash basis, functional expenses - modified cash basis, and cash flows - modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of ICMC as of September 30, 2022, and its support, revenues and expenses for the year then ended, in accordance with the modified cash basis of accounting described in Note 2.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ICMC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting 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 misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

## REPORT OF INDEPENDENT AUDITORS (Continued)

includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ICMC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about ICMC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### Report on Supplementary Information Included in the Financial Statements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The budgeted and board designated amounts shown on the statements of support, revenues and expenses and functional expenses – modified cash basis for the year ended September 30, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Blue & Co., LLC*

Carmel, Indiana  
December 6, 2022

# INDIANA CORN MARKETING COUNCIL

## STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS (Modified Cash Basis) SEPTEMBER 30, 2022

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### ASSETS

Cash and cash equivalents	\$	3,771,781
Certificates of deposit		1,296,078
Other assets		<u>69,723</u>
	\$	<u>5,137,582</u>

### LIABILITIES AND NET ASSETS

Liabilities		
Reimbursements payable and other liabilities	\$	179,544
Payable to Indiana Corn Growing Association, Inc.		56,375
Payable to Indiana Soybean Alliance, Inc.		432,084
Research and other grants payable		<u>632,729</u>
Total liabilities		1,300,732
Net assets		
Without donor restrictions		
Undesignated		1,000,152
Board designated		<u>2,836,698</u>
Total net assets		<u>3,836,850</u>
	\$	<u>5,137,582</u>

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See accompanying notes to financial statements.

## INDIANA CORN MARKETING COUNCIL

### STATEMENT OF SUPPORT, REVENUES, AND EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2022

	Actual	Budgeted Income and Expense (Unaudited)	Board Designated Net Assets (Unaudited)	Total Budgeted and Board Designated Net Assets (Unaudited)
<b>Support and revenues</b>				
Checkoff assessments	\$ 5,142,509	\$ 3,937,983	\$ -0-	\$ 3,937,983
First purchaser handling fee	(135,085)	(118,139)	-0-	(118,139)
Refunds	(239,151)	(259,749)	-0-	(259,749)
Net checkoff assessments	4,768,273	3,560,095	-0-	3,560,095
Contributions	10,500	-0-	-0-	-0-
Interest income	10,383	8,500	-0-	8,500
Other	3,829	-0-	-0-	-0-
Total support and revenues	4,792,985	3,568,595	-0-	3,568,595
<b>Expenses</b>				
Strategic services				
Market development	2,246,071	2,133,384	385,670	2,519,054
Sustainability	1,126,159	1,342,265	168,390	1,510,655
Value creation	395,116	450,184	-0-	450,184
Producer engagement	439,093	470,100	94,305	564,405
Organization, board management and general marketing	460,813	501,448	110,625	612,073
NCGA	538,000	538,000	-0-	538,000
Total strategic services	5,205,252	5,435,381	758,990	6,194,371
Support services				
ICMC administration	254,514	288,735	6,484	295,219
Total expenses	5,459,766	5,724,116	765,474	6,489,590
<b>Change in net assets</b>	(666,781)	<u>\$ (2,155,521)</u>	<u>\$ (765,474)</u>	<u>\$ (2,920,995)</u>
<b>Net assets without donor restrictions, beginning of year</b>	<u>4,503,631</u>			
<b>Net assets without donor restrictions, end of year</b>	<u>\$ 3,836,850</u>			

See accompanying notes to financial statements.

# INDIANA CORN MARKETING COUNCIL

## STATEMENT OF FUNCTIONAL EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2022

	Strategic Services						Support Services		Grand Total
	Market Development	Sustainability	Value Creation	Producer Engagement	Organization, Board Management and General Marketing	NCGA	Total	ICMC Administration	
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 6,857	\$ 6,857
Small equipment purchases	110	-0-	-0-	-0-	-0-	-0-	110	-0-	110
Board elections	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,073	2,073
Postage and shipping	4,329	257	-0-	3,982	515	-0-	9,083	1,440	10,523
Printing	2,827	863	-0-	11,556	749	-0-	15,995	2,026	18,021
Office supplies	2,350	46	-0-	-0-	-0-	-0-	2,396	842	3,238
Staff travel	41,789	156	33	-0-	23,598	-0-	65,576	691	66,267
Director travel	109,908	872	-0-	-0-	24,458	-0-	135,238	710	135,948
Other travel	1,663	1,171	4,279	272	1,735	-0-	9,120	-0-	9,120
Meeting expense	50,183	8,281	43	1,849	51,135	-0-	111,491	4,684	116,175
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	78,926	78,926
Legal fees	-0-	-0-	-0-	487	-0-	-0-	487	2,389	2,876
Consulting	311,664	223,290	46,867	121,309	29,719	-0-	732,849	16,672	749,521
ISA contracted services	363,080	58,834	14,721	-0-	312,013	-0-	748,648	130,228	878,876
Technology	158	219	-0-	-0-	2,869	-0-	3,246	4,937	8,183
Grants	970,520	386,173	321,640	-0-	-0-	-0-	1,678,333	-0-	1,678,333
Miscellaneous	-0-	-0-	-0-	-0-	166	-0-	166	-0-	166
Dues/memberships	29,532	48,996	-0-	-0-	-0-	-0-	78,528	308	78,836
Subscriptions	15,759	14,348	-0-	-0-	4,013	-0-	34,120	-0-	34,120
Bank fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,731	1,731
Staff training/development	130	146	-0-	-0-	406	-0-	682	-0-	682
Advertising	5,103	5,645	533	209,794	-0-	-0-	221,075	-0-	221,075
Project supplies	4,183	50,864	-0-	23,786	7,245	-0-	86,078	-0-	86,078
Booth rental	5,800	-0-	-0-	-0-	-0-	-0-	5,800	-0-	5,800
Registration fees	4,941	250	-0-	-0-	1,193	-0-	6,384	-0-	6,384
Sponsorships	322,042	325,748	7,000	66,058	999	538,000	1,259,847	-0-	1,259,847
<b>Total expense</b>	<b>\$ 2,246,071</b>	<b>\$ 1,126,159</b>	<b>\$ 395,116</b>	<b>\$ 439,093</b>	<b>\$ 460,813</b>	<b>\$ 538,000</b>	<b>\$ 5,205,252</b>	<b>\$ 254,514</b>	<b>\$ 5,459,766</b>
Actual expense	2,010,868	1,056,519	395,116	395,481	460,813	538,000	4,856,797	248,030	5,104,827
Budget (unaudited)	2,133,384	1,342,265	450,184	470,100	501,448	538,000	5,435,381	288,735	5,724,116
Under/(over) budget	122,516	285,746	55,068	74,619	40,635	-0-	578,584	40,705	619,289
Actual board designated expense	235,203	69,640	-0-	43,612	-0-	-0-	348,455	6,484	354,939
Board designated net assets budget (unaudited)	385,670	168,390	-0-	94,305	110,625	-0-	758,990	6,484	765,474
Under/(over) board designated net assets budget	150,467	98,750	-0-	50,693	110,625	-0-	410,535	-0-	410,535

See accompanying notes to financial statements.

# INDIANA CORN MARKETING COUNCIL

## STATEMENT OF CASH FLOWS (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2022

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### Operating activities

Change in net assets	\$	(666,781)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Changes in assets and liabilities:		
Other assets		3,539
Reimbursements payable and other liabilities		(120,659)
Payable to Indiana Soybean Alliance, Inc.		(79,341)
Payable to Indiana Corn Growing Association, Inc.		56,375
Research grants payable		<u>464,309</u>
Net cash flows from operating activities		(342,558)

### Investing activities

Purchases of certificates of deposit		(1,296,691)
Redemptions of certificates of deposit		<u>1,293,457</u>
Net cash flows from investing activities		<u>(3,234)</u>

Change in cash and cash equivalents (345,792)

**Cash and cash equivalents, beginning of year** 4,117,573

**Cash and cash equivalents, end of year** \$ 3,771,781

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See accompanying notes to financial statements.

# INDIANA CORN MARKETING COUNCIL

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

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### 1. NATURE OF ACTIVITIES

In June 2007, the Indiana Legislature enacted into law Indiana Code 15-4-10 (amended by Indiana Code 15-15-12 on August 1, 2009 and again on July 1, 2012), the Indiana Corn Market Development Law, which requires a checkoff assessment on certain types of corn marketed in the State of Indiana. The Indiana Corn Marketing Council (ICMC) is a public body corporate and politic organization located in Indianapolis, Indiana established to facilitate the corn checkoff assessment program in Indiana and communicate information relating to the conduct, implementation, or results of promotion, research, and market development activities relating to corn or corn products to appropriate government officials. Proceeds of the checkoff assessment may not be used to influence legislation or governmental action or policy. ICMC is separate from the State of Indiana; however, the exercise by ICMC of its powers constitutes an essential governmental function.

Indiana Code 15-15-12 requires ICMC to review the refunds for each fiscal year and if refunds exceed twenty-five percent (25%) in two consecutive years, ICMC shall cease collecting the assessment on January 1 of the subsequent year; maintain enough funds to pay for any refunds requested by producers; and request that the legislative council have legislation prepared to repeal the corn market law.

Indiana Code 15-15-12 also requires that total administration expenses, less the cost of processing refunds and applying for grants, may not exceed 10% of the average corn checkoff assessments collected over the past five years. The average assessments amount is calculated by excluding the highest and lowest assessments and taking an average of the remaining three years' checkoff assessments.

The overall mission of the Indiana Corn Marketing Council is to work to enhance the value of corn for Indiana corn farmers. To accomplish this mission, in 2021 the ICMC Board of Directors adopted a new three-year strategic plan. The basis of this plan was developed from sources which included: input from participant surveys (including industry leaders, board members, former board members and staff), a key industry trends assessment, industry expert interviews, and board member forums. This Strategic Plan has four overall strategic focus areas that guide ICMC's investment of producer checkoff dollars. The four focus areas are Market Development, Sustainability, Value Creation and Producer Engagement.

#### **Market Development**

Market development has one strategic objective. The objective is to increase market access and grow international and domestic demand for corn in all forms. ICMC accomplishes this by investing in initiatives that increase exports to targeted countries such as Mexico, Colombia and South Korea and increasing ethanol infrastructure support and promotional activities.

# INDIANA CORN MARKETING COUNCIL

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

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### **Sustainability**

Sustainability has three strategic objectives. The first objective is to continue to increase the number of acres in Indiana utilizing sustainable production practices by meeting targets of nutrient loss reduction goals in Indiana. The second objective is to expand reach to strengthen consumers' perceptions and increase community awareness regarding farm sustainability practices. The third objective is to support efforts that reduce production and input costs and improve on-farm profitability. The initiatives under this objective are identifying opportunities to improve on-farm profitability and seek non-traditional value generation.

### **Value Creation**

Value creation has one strategic objective. The objective is to develop new value-added markets and products from corn in all forms. The initiatives in this area include projects that develop new technologies in food, beverage and industrial markets and facilitate regulatory approval for corn products.

### **Producer Engagement**

The backbone of this objective is providing information to the Indiana producers we serve. The first objective is to increase awareness and understanding of the checkoff programs and the return on investment (ROI) for Indiana corn farmers. The second objective is to create additional opportunities for farmers to engage with ICMC aside from joining the Board.

In addition to the four strategic objectives above, a successful organization must invest in infrastructure (personnel, marketing, and technology), establish sound fiscal and fiduciary management practices, and develop our board members to be leaders within Indiana agriculture and with National agricultural organizations. The following objectives fit into this category.

### **Organization, Board Management and General Marketing**

This objective contains expenses for board meetings, leadership and educational development, base infrastructure for marketing efforts, and program management of the board.

### **NCGA**

NCGA pools resources from corn producing states to advance checkoff programs related to corn. They do this by supporting programs reviewed and approved by farmer and staff led action teams.

### **ICMC Administration**

This objective ensures compliance with the Indiana Corn Market Development law and the governance of ICMC. Included in these activities are board elections and investments in

# INDIANA CORN MARKETING COUNCIL

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

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processes for remittances from first purchasers of corn in Indiana and the periodic auditing of those first purchasers.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Accounting Method

ICMC prepares its financial statements on a modified cash basis of accounting. Under that basis, corn checkoff assessments are recognized when received rather than when earned, and first purchaser handling fees and refunds are recognized when paid rather than when the obligation is incurred. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America primarily because ICMC has not recognized receivables for corn checkoff assessments, accruals for estimated first purchaser handling fees, accruals for estimated refunds, and their related effects on the change in net assets. ICMC accrues research grants in which ICMC has minimal involvement once the Board approves the grant for funding and the grant is executed, rather than at the time the expenses are incurred. These expenses, which are considered contribution transactions, are included in grants expense. Research grants in which ICMC has significant involvement, which are considered exchange transactions, are expensed as incurred and are included in consulting fees expense.

#### Basis of Presentation

Net assets, support and revenues are classified based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are net assets not subject to donor-imposed restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. Accordingly, the net assets of ICMC and the changes therein are classified and reported as net assets without donor restrictions.

#### Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of support, revenues and expenses during the reporting period. On an ongoing basis, ICMC's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. ICMC's management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

#### Cash Equivalents

ICMC considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates market value, and consist of repurchase agreements.

# INDIANA CORN MARKETING COUNCIL

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

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### Certificates of Deposit

Certificates of deposit are carried at cost, which approximates fair value. Interest income is recorded when earned. ICMC holds investments in certificates of deposit issued under the Certificate of Deposit Account Registry Service (CDARS). Under the CDARS program, ICMC's funds are invested in certificates of deposit in different banks within the CDARS network in increments such that all deposits are provided full FDIC coverage. At September 30, 2022, certificates of deposit bear interest at rates ranging from 0.30% to 2.50% and have maturity dates ranging from February 2023 to September 2023.

### Checkoff Assessment Revenue

Indiana Code 15-15-12 requires that a checkoff assessment of one-half cent (\$0.005) per bushel shall be collected by first purchasers on all applicable corn sold in Indiana, and that this checkoff assessment be remitted to ICMC on a quarterly basis. Checkoff assessments are recognized in the period the cash is received.

### First Purchaser Handling Fees and Refunds

First purchasers who remit assessments timely are entitled to retain 3% of the total corn checkoff assessments as a handling fee. First purchaser handling fees are deducted from gross corn checkoff assessments in the Statement of Support, Revenues, and Expenses and are recognized in the period in which the net checkoff assessments are received by ICMC.

A producer is entitled to a refund of the corn checkoff assessment if the producer applies for a refund within 180 days after the corn checkoff assessment was deducted from the sale price of the producer's corn. Refunds are deducted from gross corn checkoff assessments in the Statement of Support, Revenues, and Expenses and are recognized when paid.

### Administration Expenses

Indiana Code 15-15-12 requires total administration expenses, less the cost of processing refunds and applying for grants, to be 10% or less of average corn checkoff assessments collected over the past five years. The average assessments amount is calculated by excluding the highest and lowest assessments and taking an average of the remaining three years' checkoff assessments. ICMC's administration expenses, less cost of processing refunds and applying for grants, as a percentage of average corn checkoff assessments were 4.79% for fiscal 2022.

### Functional Allocation of Expenses

The costs of providing the programs and services of ICMC have been summarized on a functional basis in the Statements of Support, Revenues, and Expenses and Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting activities benefited, based on actual direct expenditures and cost allocations of indirect expenses based on time and usage by personnel. Expenses allocated include ISA contracted services, travel, and

# INDIANA CORN MARKETING COUNCIL

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

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office overhead. Although the methods used were appropriate, other methods could produce different results.

### Subsequent Events

ICMC evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through December 6, 2022, which is the date the financial statements were available to be issued.

### **3. BOARD DESIGNATED NET ASSETS**

At September 30, 2022, board designated net assets represent the amounts that have been designated by the Board of Directors for the following uses:

Sustainability	\$	98,750
Market development		150,467
Producer engagement		50,693
Organization and board management		110,625
Reserve		500,000
Allocation to FY 23 budget		1,926,163
	\$	<u>2,836,698</u>

### **4. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following table reflects ICMC's financial assets as of September 30, 2022, reduced by amounts that are not available to meet general expenditures within one year of the Statement of Assets, Liabilities and Net Assets date; that is, amounts that are without board designations or other restrictions limiting their use.

Cash and cash equivalents	\$	3,771,781
Certificates of deposit		<u>1,296,078</u>
Total financial assets		5,067,859
Board designated net assets		<u>(2,836,698)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u>2,231,161</u>

Board designated net assets have been designated by the Board of Directors for specific purposes. Although ICMC does not intend to spend the board designated net assets to meet general expenditures, the amounts could be made available, if necessary.

# INDIANA CORN MARKETING COUNCIL

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

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### 5. TRANSACTIONS WITH INDIANA SOYBEAN ALLIANCE, INC.

The Indiana Soybean Alliance, Inc. (ISA) is an Indiana not-for-profit organization established to conduct soybean promotion, research, consumer information, producer communication, industry information and market development activities. It is responsible for carrying out both checkoff and non-checkoff activities in Indiana.

ICMC has a service agreement with the ISA in which all salaries and benefits are paid by ISA and the amount allocable to ICMC is reimbursed by ICMC along with all other costs that are directly allocable to ICMC. Other general services that are reimbursed by ICMC include office costs and other agreed upon overhead expenses. The amount reimbursed for the expenses under this contract to ISA for the year ended September 30, 2022 was \$878,876.

At September 30, 2022, ICMC had an amount payable to ISA of \$432,084.

### 6. CONCENTRATIONS

ICMC maintains its cash and cash equivalents in bank deposit accounts which generally exceed federally insured limits. To mitigate its risk of loss, ICMC utilizes repurchase agreements in which the amount that is invested in these agreements is secured by United States government securities through an overnight sweep. ICMC has not experienced any losses in its accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

### 7. CONDITIONAL GRANT LIABILITY

In fiscal year 2011, ICMC initiated the Flex Fuel Pump Grant Program. This program offers grants to retailers for the installation of flex fuel pumps to dispense mid-level blends of ethanol. ICMC will award grants up to 50% of the cost of installation. The retailer must apply for the grant and provide proof of the total cost incurred for the installation of the flex fuel pump. Once this documentation has been received, ICMC will conduct an inspection of the pump. After the inspection has been conducted, the grant is awarded to the retailer. ICMC will record the grant liability and expense once the inspection has been conducted and the grant has been awarded. Grant expense related to this program was \$110,000 during fiscal 2022. At September 30, 2022, no grants related to this program are recorded as grants payable in the Statement of Assets, Liabilities and Net Assets.

### 8. CONTINGENCY

On March 11, 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may adversely impact the local, regional, national and global economies. The extent to which COVID-19 impacts ICMC's operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Potential impacts include, but are not limited to, additional costs for responding to COVID-19,

# **INDIANA CORN MARKETING COUNCIL**

## **NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022**

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shortages of personnel, shortages of supplies, and delays, loss of, or reduction to revenues, contributions and funding. Through this pandemic, ICMC has experienced travel restrictions and delayed in-person programs. However, ICMC continues to work with partners, vendors, suppliers, national organizations and producers to provide timely and relevant virtual experiences and programs. Management believes ICMC is taking appropriate actions to respond to the pandemic; however, the full impact is unknown and cannot be reasonably estimated at the date the financial statements were available to be issued.