Annual Report

June 30, 2014

(With report of independent auditors within)

Report of Independent Auditors

Independent Auditor's Report

To the Treasurer of the State of Indiana

We have audited the statement of assets, liabilities and joint value of TrustINdiana (A Component Unit of the State of Indiana) as of June 30, 2014, the portfolio of investments as of June 30, 2014, the related statement of operations for the year ended June 30, 2014 and the statements of changes in joint value for the years ended June 30, 2014 and 2013. These financial statements are the responsibility of the Treasurer of the State of Indiana. Our responsibility is to express an opinion on these financial statements based on our audit.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating significant accounting estimates made by management as well as evaluating the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TrustINdiana as of June 30, 2014, and the results of its operations for the period then ended and the changes in joint value for the years ended June 30, 2014 and 2013, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

In accordance with Government Auditing Standards, we have issued our report dated August 29, 2014 on our consideration of TrustINdiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise TrustINdiana's basic financial statements. Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. Management's Discussion and Analysis has not been included with the basic financial statements.

London Witte Group, LLC

London Witte Group, LLC
Indianapolis, Indiana
August 29, 2014

Statement of Assets, Liabilities and Joint Value

June 30, 2014

	TrustINdiana	External Participants
Assets		
Investments at amortized cost (market value $480,915,368)	$480,889,092	$280,889,127
Interest income receivable	77,683	45,375
Total assets	480,966,775	280,934,502
Liabilities and Joint Value		
Management fee payable	28,964	16,918
Distributions payable	667	390
Other payables	27,441	16,028
Total liabilities	57,072	33,336
Joint Value	480,909,703	280,901,166
Total liabilities and joint value	$480,966,775	$280,934,502

The accompanying notes are an integral part of the financial statements.

Portfolio of Investments

June 30, 2014

Principal Amount		Value	
Money Market Funds - 1.06%			
$ 5,118,387	Goldman Sachs Financial Square Government Fund, FST Shares, 0.00%	$ 5,118,387	(a)
	Total Money Market Funds (market value $5,118,387)	**5,118,387**	
U.S. Government Agencies - 22.93%			
Federal Agricultural Mtg Group			
10,000,000	0.20%, maturity date 10/15/14	10,000,000	
25,000,000	0.20%, maturity date 02/27/15	25,000,000	
Federal Home Loan Bank			
10,000,000	0.17%, maturity date 11/18/14	9,998,478	
10,000,000	0.21%, maturity date 01/20/15	10,000,000	
10,000,000	0.21%, maturity date 02/26/15	10,000,000	
10,000,000	0.20%, maturity date 04/24/15	10,000,000	
10,000,000	0.20%, maturity date 07/22/14	9,999,971	
20,000,000	0.20%, maturity date 09/18/14	20,000,000	
Federal National Mortgage Assc			
5,255,000	0.25%, maturity date 07/05/14	5,254,851	(b, c)
	Total U.S Government Agencies (market value $110,275,326))	**110,253,300**	
Commercial Paper - 24.82% (c)			
6,500,000	Abbey Natl North America LLC,0.22%, maturity date 09/30/14	6,496,385	
5,000,000	Alpine Securitization Corp,0.21%, maturity date 08/28/14	4,998,308	
5,000,000	Alpine Securitization Corp,0.25%, maturity date 10/02/14	4,996,770	
5,000,000	BNP Paribas Finance Inc,0.20%, maturity date 08/11/14	4,998,861	
3,650,000	Chariot Funding LLC,0.20%, maturity date 09/12/14	3,648,519	
6,750,000	Fairway Finance LLC,0.18%, maturity date 07/07/14	6,750,000	
5,000,000	ING US Funding LLC,0.24%, maturity date 08/01/14	4,998,987	
5,000,000	ING US Funding LLC,0.19%, maturity date 08/14/14	4,998,839	
6,000,000	Manhattan Asset Fdg Corp,0.13%, maturity date 07/02/14	5,999,978	
5,000,000	Manhattan Asset Fdg Corp,0.18%, maturity date 09/03/14	4,998,400	
10,000,000	Rabobank USA Fin Corp,0.23%, maturity date 07/09/14	9,999,488	
5,000,000	Ridgefield Funding Co LLC,0.18%, maturity date 08/11/14	4,998,975	
5,000,000	Ridgefield Funding Co LLC,0.14%, maturity date 07/08/14	4,999,864	
5,000,000	Salisbury Receivables Co,0.18%, maturity date 08/26/14	4,998,600	
5,000,000	Sheffield Receivables Co,0.21%, maturity date 10/15/14	4,996,908	
10,000,000	Societe Generale North America,0.32%, maturity date 07/01/14	10,000,000	
7,500,000	Standard Chartered Bank,0.25%, maturity date 07/16/14	7,499,218	
5,000,000	Standard Chartered Bank,0.18%, maturity date 09/03/14	4,998,400	
4,000,000	Thunder Bay Funding,0.17%, maturity date 10/20/14	3,997,903	
10,000,000	UBS Finance DE LLC,0.19%, maturity date 07/28/14	9,998,574	
Total Commercial Paper (market value $119,377,227)		**119,372,977**	

Principal Amount		Value
Bank Deposits - 51.18%		
$ 25,511,722	Wells Fargo Bank, 0.10%, due on demand	$ 25,511,722
105,632,706	PNC Bank, 0.20%, due on demand	105,632,706
115,000,000	US Bank, 0.15%, due on demand	115,000,000
	Total Bank Deposits (market value $246,144,428)	**246,144,428**
	Total Investments - 99.99% (market value $480,915,368)	**480,889,092**
Other assets in exess of liabilities - 0.01%		**20,611**
Joint Value - 100.0%		**$480,909,703**

(a) Interest rate as of June 30, 2014. Rate is declared daily.
(b) Zero coupon bond.
(c) Rate represents effective yield at June 30, 2014.
bps -Basis points (100 basis points equals one percentage point).

Statement of Operations

For the year ended June 30, 2014

	TrustINdiana	External Participants
Revenues:		
Interest income	$ 1,107,072	$ 701,349
Total revenues	1,107,072	701,349
Expenses:		
Management fee (less waiver of $108,482 and $68,725)	402,095	254,734
Other expenses	288,880	183,010
Total expenses	690,975	437,744
Net investment income	416,097	263,605
Net realized gain on investments	2,165	1,372
Net increase in joint value from operations	$ 418,262	$ 264,977

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Joint Value

	For the year ended June 30, 2014		For the year ended June 30, 2013	
	TrustINdiana	External Participants	TrustINdiana	External Participants
Increase / (Decrease) in joint value				
Operations:				
Net investment income	$ 416,097	$ 263,605	$ 676,586	$ 437,175
Net realized gain on investments	2,165	1,372	7,758	5,013
Net increase in joint value from operations	418,262	264,977	684,344	442,188
Distributions to participants	(418,262)	(264,977)	(684,344)	(442,188)
Participants' transactions:				
Contributions	165,563,160	165,563,160	356,866,860	356,866,860
Reinvestment of distributions	421,774	268,148	685,561	445,677
Withdrawals	(278,125,329)	(277,966,444)	(338,344,819)	(338,095,455)
Net increase / (decrease) in joint value from participants' transactions	(112,140,395)	(112,135,136)	19,207,602	19,217,082
Total increase/ (decrease) in joint value	(112,140,395)	(112,135,136)	19,207,602	19,217,082
Joint value				
Beginning of year	593,050,098	393,036,302	573,842,496	373,819,220
End of year	$480,909,703	$280,901,166	$593,050,098	$393,036,302

The accompanying notes are an integral part of the financial statements.

1. Description of TrustINdiana

TrustINdiana (the "Pool") is a local government investment pool created pursuant to IC §5-13-9-11(b) within the office and custody of the Treasurer of the State of Indiana. The purpose of the Pool is to allow local units of government (e.g., counties, municipalities, school corporations, townships, and other units of local government) as well as the State of Indiana to invest in a common pool of investment assets. For purposes of these financial statements, external participants are defined as all investors other than the State of Indiana. The difference between the amounts presented in total and external participants represents the investment by the State of Indiana.

At June 30, 2014 certain Pool participants held a participation interest in the Pool in excess of 10%. Investment activities of these participants could have a material impact on the Pool.

2. Significant Accounting Policies

The following significant accounting policies are consistently followed by the Pool in the preparation of its financial statements. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Valuation of investments

The Pool has elected to use the amortized cost method of valuation consistent with the provisions of a 2a-7 like pool as defined by Statement No. 31 of the Governmental Accounting Standards Board provided that amortized cost approximates the fair value of a security as defined by Accounting Standards Codification ("ASC") 820. This involves valuing a security at its cost initially and thereafter assuming a constant amortization to maturity of any discounts or premium, regardless of the impact of fluctuating interest rates on the market value of the security. This method may result in periods during which value, as determined by amortized cost, is higher or lower than the price the Pool would receive if it sold the security. The fair value of securities in the Pool can be expected to vary inversely with changes in prevailing interest rates. Investments in money market funds are valued at the current day's closing net asset value per share.

In accordance with ASC 820-10, Fair Market Measurements and Disclosures, the various inputs that are used in determining the fair value of the Pool's investments are summarized into the three broad levels listed below.

- Level 1 — quoted prices in active markets for identical securities
- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 — significant unobservable inputs (including the Pool's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For example, money market securities are valued using amortized cost, in accordance with the provisions of Statement No. 31 of the Governmental Accounting Standards Board. Generally, amortized cost approximates the current fair value of a security, but since the value is not obtained from a quoted price in an active market, such securities are reflected as Level 2.

The following table summarizes the valuation of the Pool's investments by the fair value hierarchy levels described above as of June 30, 2014, in valuing the Pool's assets carried at amortized cost which approximates fair value:

	Valuation Inputs			
Description	**Total**	**Level 1**	**Level 2**	**Level 3**
Money Market Funds	$ 5,118,387	$ 5,118,387	$ 0	$0
U.S. Government Agencies	$110,253,300	$ 0	$110,253,300	$0
Commercial Paper	$119,372,977	$ 0	$119,372,977	$0
Bank Deposits	$246,144,428	$246,144,428	$ 0	$0
Total Investments	$480,889,092	$251,262,815	$229,626,277	$0

The Pool did not invest in any level 3 securities during the year ended June 30, 2014. There were no significant transfers between level 1 and level 2 during the year ended June 30, 2014.

Accounting for investments
Security transactions are accounted for on the trade date. Realized gains and losses on sales of investments are calculated on an identified cost basis. Interest income, including any amortization of discount or premium, is recorded on an accrual basis.

Credit, market and interest rate risks
The Pool is exposed to various types of risks, including market risk, interest rate risk, and credit risk. Market risk is the risk in decline in value of the investments held by the Pool because of a number of reasons, including changes in prevailing market and interest rates, increases in defaults, increases in voluntary prepayments for investments subject to prepayment risk, and widening credit spreads. Interest rate risk is the risk associated with the effects of the fluctuations in the prevailing level of market interest rates. Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Pool attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques.

The Pool limits its investments in any one issuer to the highest rating category issued by one nationally recognized statistical rating organization.

Concentration risk
The Pool is required to be comprised of no less than 50% of deposits in banks from an approved list maintained by the State of Indiana. In addition, the Pool limits its investments in any one issuer to 40% of net assets if the issuer is rated A-1+/P-1 and 25% of net assets if the issuer is rated A-1/P-1.

Income taxes
The Pool is not subject to federal, state or local income taxes, and accordingly, no tax provision has been made. The Pool files tax returns annually. The Pool is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next 12 months. The Pool's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

Distributions to participants
Net investment income, adjusted for net realized gains or losses, is declared and distributed to participants daily. Such amounts are automatically reinvested the following business day.

Joint value

The joint value of the Pool is its assets less its liabilities. The joint value represents the value of the beneficial interests of the Participants in the Pool.

Securities Lending

The Pool has entered into a securities lending agreement, as authorized by state statute and the policies of the Pool, with Bank of New York Mellon ("BNY Mellon"), its custodian. BNY Mellon may loan the Pool's securities to brokers, dealers and financial institutions determined by them to be creditworthy and approved by the Indiana Treasurer of State. The Pool continues to receive the interest on the loaned securities during the term of the loan. The loans can be terminated on demand by either the Pool or the borrower. The loans of securities are collateralized in the form of cash in an amount at least equal to 102% of the current market value of the loaned securities. The cash collateral is reinvested by BNY Mellon and the net income earned on the reinvestment, less the borrower's rebate and a fee to BNY Mellon, is recorded as additional income to the Pool. There were no securities lending activity during fiscal year ended 2014.

3. Management

The Indiana Treasurer of State has been designated by statute as the administrator of the Pool and the Deputy Treasurer of State and Portfolio Manager (the "Investment Officer") shall have general oversight over the daily operation of the Pool. The Investment Officer shall also supervise the investment of the funds in the Pool that are not designated to be invested by an investment advisor and shall oversee the functions of such investment advisor, all in accordance with the policies of the Pool and Indiana Law.

The Indiana Treasurer of State has contracted with Cutwater Investor Services Corp. ("CISC") to provide the administration, and certain portfolio management and marketing services for the program not retained by the Treasurer's office. CISC is entitled to a fee payable monthly based on the amortized cost valuation of the portion of the portfolio that it has been contracted to advise (the "CISC portion"). Prior to January 14, 2013, the fee was calculated at an annual rate of 0.12% of the daily value of the CISC portion up to $1,000,000,000; 0.11% on the next $500,000,000; 0.10% on the next $500,000,000; and 0.09% over $2,000,000,000. From January 14, 2013, the fee is calculated at an annual rate of 0.095% of the daily joint value of the pool up to $500,000,000; 0.085% on the next $500,000,000; and 0.08% over $1,000,000,000. Fees may be waived at any time at the sole discretion of CISC. For the year ended June 30, 2014, CISC was entitled to fees equal to $510,577 and waived fees in the amount of $108,482.

The other administrative expenses of the Pool shall be accounted for by the Treasurer and shall be paid from the earnings of the Pool.

4. Contingencies and Commitments

In the course of business, the Pool enters into contracts that contain representations and warranties and which provide general indemnifications. The Pool's exposure, if any, under these arrangements is unknown, as this would involve future claims that may be made against the Pool that have not yet occurred. To date, no claims have been brought against the Pool for any of these provisions. Based on experience, the Pool expects the risk of liability to be remote.

5. Subsequent Events

Management has evaluated all subsequent transactions and events after the balance sheet date through August 29, 2014, the date on which these financial statements were issued. At the Advisory Board meeting held in August, the Board approved certain changes in its policies. Effective November 20, 2014, TrustINdiana will operate as a non-2a-7 external investment pool. By moving to non-2a-7 investment guidelines and investing in eligible Indiana banks that may be rated below A-1/P-1 or not rated, the Board will have greater flexibility despite a possible increase of credit and liquidity risks. Except for the foregoing or as already included in the notes to these financial statements, management determined that no additional items require disclosure.

Selected Data per Dollar of Joint Value and Ratios

Selected data per dollar of joint value and ratios for the periods presented are as follows:

Data per dollar of joint value[1]:

	For the year ended				
	June 30, 2014	June 30, 2013	June 30, 2012	June 30, 2011	June 30, 2010
Net investment income and net realized gain/(loss) on investments	$ 0.001	$ 0.001	$ 0.001	$ 0.002	$ 0.003
Distributions to participants	$ (0.001)	$ (0.001)	$ (0.001)	$ (0.002)	$ (0.003)
Total Return[2]:	0.08%	0.12%	0.14%	0.24%	0.35%
Ratios/Supplemental data:					
Joint value, end of period (000's)	$480,910	$593,050	$573,842	$819,704	$592,095
Ratios to average joint value:					
Net investment income	0.08%	0.12%	0.13%	0.24%	0.35%
Expenses	0.13%[4]	0.09%[3]	0.14%	0.14%	0.14%

[1] Calculated based upon average joint value during the period.
[2] Total returns for periods less than one year are not annualized.
[3] Expense waiver amounted to less than 0.01% annualized.
[4] Expense waiver amounted to 0.02% annualized.

See Independent Auditors' Report.

Office of the Indiana Treasurer of State

Richard E. Mourdock
Indiana Treasurer of State

Kelly Mitchell
Director
TrustINdiana*

Management

Administrator
Indiana Treasurer of State and
Cutwater Asset Management

Investment Advisor
Indiana Treasurer of State and
Cutwater Asset Management

Custodian
Bank of New York/Mellon

Professional Services

Independent Auditors
London Witte Group, LLC

* Effective August 1, 2014, Kelly Mitchell resigned as Director of TrustINdiana. Cindy Barger has been appointed the new Director of TrustINdiana effective September 1, 2014.

TrustINdiana

Managed by: CUTWATER ASSET MANAGEMENT

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