

**THE STATE OF INDIANA PUBLIC EMPLOYEE
DEFERRED COMPENSATION PLAN**

Indianapolis, Indiana

FINANCIAL STATEMENTS

December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Deferred Compensation Committee
State of Indiana Public Employee Deferred Compensation Plan
Indianapolis, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of the State of Indiana Public Employee Deferred Compensation Plan (Plan), which comprise the statement of net position available for benefits as of December 31, 2019, the statement of changes in net position available for benefits for the year then ended, and related notes to the financial statements.

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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Plan'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 Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position available for benefits of the Plan as of December 31, 2019, and the changes in net position available for benefits for the year ended December 31, 2019 in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
May 11, 2021

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
STATEMENT OF NET POSITION AVAILABLE FOR BENEFITS
December 31, 2019

	State of Indiana 457 Retirement Plan (01)	State of Indiana 401(a) Retirement Plan (02)	State of Indiana 457 Retirement Plan (03) – Local Political Subdivisions	State of Indiana 401(a) Retirement Plan (04) – Local Political Subdivisions	Total
Assets					
Participant-directed investments:					
Mutual funds	\$ 321,035,629	\$ 41,896,512	\$ 73,553,835	\$ 4,153,233	\$ 440,639,209
Collective trust funds and other	478,309,881	84,326,697	92,939,729	5,620,906	661,197,213
Guaranteed investment contracts at contract value	<u>249,791,655</u>	<u>31,041,666</u>	<u>53,202,203</u>	<u>1,999,064</u>	<u>336,034,588</u>
Total participant-directed investments	1,049,137,165	157,264,875	219,695,767	11,773,203	1,437,871,010
Forfeiture assets	247,917	-	93	-	248,010
Participant contributions receivable	2,282,641	-	457,427	-	2,740,068
Employer contributions receivable	<u>-</u>	<u>442,173</u>	<u>-</u>	<u>34,530</u>	<u>476,703</u>
Total assets	<u>1,051,667,723</u>	<u>157,707,048</u>	<u>220,153,287</u>	<u>11,807,733</u>	<u>1,441,335,791</u>
Liabilities					
Accounts payable	<u>32,826</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,826</u>
Total liabilities	<u>32,826</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,826</u>
Net position available for benefits	<u>\$ 1,051,634,897</u>	<u>\$ 157,707,048</u>	<u>\$ 220,153,287</u>	<u>\$ 11,807,733</u>	<u>\$ 1,441,302,965</u>

See accompanying notes to financial statements.

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
STATEMENT OF CHANGES IN NET POSITION AVAILABLE FOR BENEFITS
Year Ended December 31, 2019

	State of Indiana 457 Retirement Plan (01)	State of Indiana 401(a) Retirement Plan (02)	State of Indiana 457 Retirement Plan (03) – Local Political Subdivisions	State of Indiana 401(a) Retirement Plan (04)– Local Political Subdivisions	Total
Additions					
Contributions					
Participant contributions	\$ 63,530,063	\$ -	\$ 12,894,135	\$ -	\$ 76,424,198
Employer contributions	-	10,928,238	-	1,345,067	12,273,305
Additional deposits	<u>12,108,926</u>	<u>116,200</u>	<u>2,677,844</u>	<u>881,510</u>	<u>15,784,480</u>
Total contributions	75,638,989	11,044,438	15,571,979	2,226,577	104,481,983
Investment income					
Interest and dividends, net of investment fees	11,100,020	1,383,300	2,481,147	111,417	15,075,884
Net appreciation in fair value of investments	<u>147,279,111</u>	<u>23,066,621</u>	<u>31,147,817</u>	<u>1,584,331</u>	<u>203,077,880</u>
Net investment income	<u>158,379,131</u>	<u>24,449,921</u>	<u>33,628,964</u>	<u>1,695,748</u>	<u>218,153,764</u>
Total additions	234,018,120	35,494,359	49,200,943	3,922,325	322,635,747
Deductions					
Benefits paid to participants	60,835,939	7,395,869	17,093,024	647,532	85,972,364
Administrative expenses	<u>1,883,364</u>	<u>829,786</u>	<u>312,848</u>	<u>29,905</u>	<u>3,055,903</u>
Total deductions	<u>62,719,303</u>	<u>8,225,655</u>	<u>17,405,872</u>	<u>677,437</u>	<u>89,028,267</u>
Change in net position	171,298,817	27,268,704	31,795,071	3,244,888	233,607,480
Net position available for benefits, beginning of year	<u>880,336,080</u>	<u>130,438,344</u>	<u>188,358,216</u>	<u>8,562,845</u>	<u>1,207,695,485</u>
Net position available for benefits, end of year	<u>\$ 1,051,634,897</u>	<u>\$ 157,707,048</u>	<u>\$ 220,153,287</u>	<u>\$ 11,807,733</u>	<u>\$ 1,441,302,965</u>

See accompanying notes to financial statements.

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
 NOTES TO FINANCIAL STATEMENTS
 Year Ended December 31, 2019

NOTE 1 - DESCRIPTION OF THE PLAN

The State of Indiana Public Employee Deferred Compensation Plan (the Plan), doing business as (d/b/a) Hoosier S.T.A.R.T. is a defined contribution multiple-employer pension plan for all State Employees as well as the employees of participating local political subdivisions. The Plan is governed by the Deferred Compensation Committee which was created through I.C. 5-10-1.1-4 and consists of five members appointed by the State Board of Finance. The Committee serves as the Trustee of the Plan and is responsible for prudent administration of the Plan which includes design of the Plans' investment platform, establishing investment policy objectives and guidelines, prudent selection of Investment Managers, and ongoing monitoring. The Indiana Auditor of State serves as administrator of the Plan and is responsible for all services involved in the administration of the Plan providing oversight and administration of the Plan. Effective May 1, 2013, the Plan entered into contract with Empower Retirement to serve as the third-party, plan administrator providing recordkeeping and administrative services to the Plan.

The following description of the Plan provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions which are publicly available at <https://www.in.gov/auditor/hoosierstart/>. The Plan was not previously audited prior to the year ended December 31, 2019.

General: The Plan is comprised of two legally separate retirement plans - the State of Indiana Deferred Compensation Plan (the "457 Plan") for State employees and local political subdivisions and the State of Indiana Deferred Compensation Matching Plan (the "401a Plan") for State employees and local political subdivisions. The Plan further tracks the activities with four identifiers for participant accounts as listed below:

- The State of Indiana Public Deferred Compensation Plan (457) (Plan 01)
- The State of Indiana Deferred Compensation Matching Plan (401(a)) (Plan 02)
- The State of Indiana Public Employee Deferred Compensation (457)– Local Subdivisions (Plan 03)
- The State of Indiana Deferred Compensation Matching Plan (401(a)) – Local Subdivisions (Plan 04)

The 457 Plan is a participatory defined contribution pension plan designed to meet the requirements of the Internal Revenue Code. The 401(a) Plan is a tax-qualified multiple-employer retirement plan designed to meet the requirements of Section 401(a) of the Internal Revenue Code.

Participant Accounts: The Plan Administrator maintains one account for each participant's employee contributions. For participants eligible for a matching contribution, a second account is maintained by the Plan Administrator for employer matching contributions received each pay period. The balance of these accounts is adjusted daily to reflect any distributions to participants and all interest, dividends, account charges and changes in market value of investments.

Plan Participation: Any employee of the State, with the exception of those employees excluded in plan documents, is eligible for voluntary participation in the Plan. State employees are automatically enrolled in Plan 01 and Plan 02 upon employment. There are approximately 240 local political subdivisions offering participation in the plan to employees upon employment. Approximately 35 of these local political subdivisions have also adopted a matching plan. Employee contributions from local political subdivisions are tracked through accounts in Plan 03. Participating local political subdivisions who have adopted an employer matching plan are tracked in Plan 04.

	<u>Plan 01</u>	<u>Plan 02</u>	<u>Plan 03</u>	<u>Plan 04</u>	<u>Total</u>
Active employees	28,756	28,648	5,312	1,426	64,142
Inactive employees	20,979	20,869	1,354	324	43,526
Participants with no ending account balance	2,569	2,528	344	61	5,502
Total accounts	52,304	52,045	7,010	1,811	113,170

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 1 - DESCRIPTION OF THE PLAN (Continued)

Contributions: Employees may contribute a maximum of 100% of includible compensation, not to exceed \$19,000. Eligible employees have a minimum contribution amount of 0.5% of includible compensation, or at least \$15 per biweekly paycheck for eligible state employees. If an employee is within the three calendar years that end prior to the calendar year of their normal retirement age, they may be eligible to use the special catch-up provision, which allows them to save up to an additional \$19,000. This amounts to a total possible contribution of up to \$38,000. If an employee is age 50 or older during 2019 calendar year, the employee may take advantage of the age 50+ catch-up provision, which allows an employee to contribution up to an additional \$6,000 in 2019.

State employees receive a \$15-per-paycheck matching contribution. Employees of local political subdivisions may be eligible to receive a matching contribution if the employer has adopted a matching plan.

Additional Deposits: Additional deposits include transfers in, rollovers, and conversions.

Forfeiture assets: Forfeiture assets totaled \$248,010 as of December 31, 2019. These accounts are to be used to offset future employer contributions and pay administrative expenses of the Plan.

Vesting: Participants are 100% vested in their accounts and rollover accounts at all times.

Payments of Benefits: Benefits are paid following a participant's separation from service, death, disability or an unforeseeable emergency as outlined in the plan documents. Benefits payable shall be based on the value of the accounts. Upon separation from service or a disability, a participant may elect to have benefits commence on a date no later than age 70 and one half. Upon death, the value of the participant's account will be paid to the beneficiary. The Plan permits payout options in the form of lump sums, periodic payments of a fixed amount or duration, or life contingent annuities.

Administrative Expenses: The Plan waives its administrative fee for the six-month period immediately following enrollment. Following that period, quarterly administrative fees are \$14.45. Investment management fees vary by investment option. The Plan also offers advisory services. Annual advisory services fees are based on a percentage of total assets under management.

<u>Assets Under Management</u>	<u>Annual Service Fee</u>
Up to \$100,000	0.45%
Next \$150,000	0.35%
Next \$150,000	0.25%
More than \$400,000	0.15%

Tax Status: The 457 Plan is intended to satisfy the requirements of Section 457(b) of the Internal Revenue Code (IRC), and the assets of the 457 Plan held in trust are therefore exempt from federal income taxes. The 401(a) Plan is intended to be qualified under Section 401(a) of the Internal Revenue Code, the State and each political subdivision participating in the 401(a) Plan received a favorable determination letter from the Internal Revenue Service dated January 11, 2017 to the effect the 401(a) Plan is so qualified and, therefore, is exempt from federal income taxes. The plan administrators believe that the Plan is currently designed and being operated in compliance with applicable rules and regulations of the IRC, that the Plan is qualified, and that the related trust continues to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Plan Termination: Although it has not expressed any intention to do so, the State and participating local political subdivisions have the right to terminate the Plan subject to the provisions set forth in the Plan agreements.

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: As defined by accounting principles generally accepted in the United States of America established by the Government Accounting Standards Board (GASB), the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board and that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government.

Based upon these criteria, the Plan reports as a governmental entity although it has no component units and the Plan is not a component unit of any other entity as of December 31, 2019.

Basis of Presentation: The Plan prepares its financial statements using the accrual basis of accounting. The financial statements of the Plan have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following are the significant accounting policies used in preparing the accompanying financial statements of the Plan.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the measurement of assets and liabilities and additions and deductions, and the disclosures of contingent assets and liabilities during the reported period. Actual results could differ from those estimates.

Contributions: The Plan recognizes participant contributions as revenues in the month that participant earnings are earned in accordance with the Plan's provisions. Contributions receivable are measured based on cash receipts after year end that generally relate to December payroll periods.

Benefits Paid to Participants: Distributions are recognized as expenses when paid. Expenses are paid from the Plan and are recorded when the corresponding liabilities are incurred regardless of when payment is made.

Investment Valuation and Income Recognition: Mutual funds are reported at fair value based on quoted market prices. The guaranteed investment contract is a contract-based investment. Guaranteed investment contracts are not transferable and observable prices for identical or similar investments do not exist. Purchases and sales of mutual fund shares are recorded on a trade-date basis. Interest income is recorded on the accrual basis of accounting. Dividends are recorded on the ex-dividend date.

Administrative and Investment Management Expenses: The Plan's administrative fees are paid through a quarterly, fixed fee charged to participant accounts and are reflected in the financial statements as administrative expenses of the Plan. Investment management fees are charged to the participant accounts and presented as net of interest and dividends.

Risks and Uncertainties: The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, liquidity and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of plan net position.

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events: In December 2019, a novel strain of coronavirus (COVID-19) spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 and the actions required to contain the COVID-19. In March 2020, the CARES Act was signed into law which including provisions waiving the required minimum distribution for 2020 and allowing coronavirus-related withdrawals up to \$100,000 per participant.

NOTE 3 – VALUATION OF INVESTMENTS

Investment oversight and policy oversight of plan assets is the fiduciary responsibility of the Deferred Compensation Committee (Committee). Accordingly, the Committee must sufficiently diversify the portfolio to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to do so. Primary risk measures are volatility in the Plan's assets, funded status and contribution rates. Indiana law permits the Board to establish investment guidelines and limits on all types of investments and take other actions necessary to fulfill its duty as a fiduciary for all assets under its control.

Fair value is defined as the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. There has been established a fair value hierarchy which requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1 measurements) and gives the lowest priority to unobservable inputs (Level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In some cases, a valuation technique used to measure fair value may include inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Plan to estimate the fair value of investments apply to investments held directly by the Plan:

Mutual funds: The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs). Mutual funds include U.S. equity funds, U.S. fixed income funds, and international equity funds.

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 3 – VALUATION OF INVESTMENTS (Continued)

For other investments for which there is no active market, the Plan uses the net asset value (NAV) as such investments have significant unobservable valuation inputs and are excluded from the valuation hierarchy.

Collective trust funds: This investment type includes multiple funds. Share prices/NAV reported on plan summary reports are generally obtained directly from the fund house or other investment provider. The collective trust funds include a variety of investment choices that are diversified across a range of risk levels, assets classes, and investment strategies in order to accommodate the varying levels of needs and risk tolerance of plan participants in constructing portfolios to meet their financial goals. The Plan has adopted an investment option structure that provides target date options, core investment options, and specialty/legal options.

Stable value fund: The Stable Value Fund consists holds guaranteed investment contracts (GICs) with insurance companies and wrapped managed fixed income portfolios measured at contract value. The Stable Value Fund is an investment option that seeks to provide safety of principal and a stable credited rate of interest, while generating competitive returns over time compared to other comparable investments. Share prices reported on plan summary reports are generally obtained directly from the fund house or other investment provider.

Guaranteed Investment Contracts (GICs): The Stable Value Fund consists of fully benefit-responsive synthetic guaranteed investment contracts (GICs). The Stable Value Fund is an investment option that seeks to provide safety of principal and a stable credited rate of interest, while generating competitive returns over time compared to other comparable investments. As of December 31, 2019, the Stable Value Fund portfolio consists of a money market fund, a managed income fund, and a stable value wrap with a fair value of \$341.7 million, which was \$5.8 million greater than the fair value protected by the wrap contract.

Additionally, there were no unfunded commitments or redemption notice periods for investments measured at net asset value.

In 2019, the Deferred Compensation Committee approved a transition from a custom target date fund approach to the State Street Global Advisors (SSGA) Target Retirement Strategy Funds. On September 6, 2019, the State Street Target Retirement Funds replaced the Indiana Target Retirement Funds.

State of Indiana 457 Retirement Plan

		Assets at Fair Value as of December 31, 2019			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>
Mutual funds	\$ 321,035,629	\$ 321,035,629	\$ -	\$ -	\$ -
Collective trust funds	<u>478,309,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>478,309,881</u>
Investments at fair value	\$ 799,345,510	<u>\$ 321,035,629</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 478,309,881</u>
<i>Investments Not Subject to Fair Value:</i>					
GICs at contract value	<u>\$ 249,791,655</u>				
Total investments	<u>\$ 1,049,137,165</u>				

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 3 – VALUATION OF INVESTMENTS (Continued)

State of Indiana 401(a) Retirement Plan

		Assets at Fair Value as of December 31, 2019			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>
Mutual funds	\$ 41,896,512	\$ 41,896,512	\$ -	\$ -	\$ -
Collective trust funds	84,325,765	-	-	-	84,325,765
Fund of funds	903	-	-	-	903
Indiana Retirement Fund	<u>29</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29</u>
Investments at fair value	\$ 126,223,209	<u>\$ 41,896,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,326,697</u>

Investments Not Subject to Fair Value:

GICs at contract value	<u>\$ 31,041,666</u>
Total investments	<u>\$ 157,264,875</u>

State of Indiana 457 Retirement Plan – Local Political Subdivisions

		Assets at Fair Value as of December 31, 2019			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>
Mutual funds	\$ 73,553,835	\$ 73,553,835	\$ -	\$ -	\$ -
Collective trust funds	<u>92,939,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,939,729</u>
Investments at fair value	\$ 166,493,564	<u>\$ 73,553,835</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,939,729</u>

Investments Not Subject to Fair Value:

GICs at contract value	<u>\$ 53,202,203</u>
Total investments	<u>\$ 219,695,767</u>

State of Indiana 401(a) Retirement Plan – Local Political Subdivisions

		Assets at Fair Value as of December 31, 2019			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>
Mutual funds	\$ 4,153,233	\$ 4,153,233	\$ -	\$ -	\$ -
Collective trust funds	<u>5,620,906</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,620,906</u>
Investments at fair value	\$ 9,774,139	<u>\$ 4,153,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,620,906</u>

Investments Not Subject to Fair Value:

GICs at contract value	<u>\$ 1,999,064</u>
Total investments	<u>\$ 11,773,203</u>

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
 NOTES TO FINANCIAL STATEMENTS
 Year Ended December 31, 2019

NOTE 3 - VALUATION OF INVESTMENTS (Continued)

Following is a listing of the Plan's investment holdings as of December 31, 2019:

State of Indiana 457 Retirement Plan

Mutual funds, at fair value:

American Funds EuroPacific Growth Fund Class R-6	\$ 41,286,229
Fidelity Diversified International K6 Fund	41,454,137
Fidelity Low-Priced Stock Fund	16,385,963
Indiana Flexible Bond Fund	2,337,522
MFS Mid Cap Value Fund Class R6	39,080,081
PIMCO Total Return Fund Institutional Class	55,098,955
Vanguard Capital Opportunity Fund Admiral Shares	85,647,340
Vanguard FTSE Social Index Fund Institutional Shares	<u>39,745,402</u>
	321,035,629

Collective trust funds, at net asset value:

BNY Mellon NSL US Dynamic Large Cap Value	63,577,456
State of Indiana Inflation – Linked Bond	26,560,656
State Street Russell Small/Mid Index Securities Lending Class II	56,575,010
State Street S&P 500 Index Securities Lending Series Fund Class II	79,609,719
State Street Target Retirement 2020 Fund Class V	11,321,194
State Street Target Retirement 2025 Fund Class V	33,876,522
State Street Target Retirement 2030 Fund Class V	11,871,288
State Street Target Retirement 2035 Fund Class V	25,235,896
State Street Target Retirement 2040 Fund Class V	9,971,561
State Street Target Retirement 2045 Fund Class V	24,609,651
State Street Target Retirement 2050 Fund Class V	16,567,963
State Street Target Retirement 2055 Fund Class V	6,003,487
State Street Target Retirement 2060 Fund Class V	7,746,477
State Street Target Retirement Income Fund Class V	23,856,211
T. Rowe Price Blue Chip Growth Tr-T2	<u>80,926,790</u>
	478,309,871

Stable value funds, at contact value:

Indiana Stable Value Fund	249,791,655
Total investments	<u>\$ 1,049,137,165</u>

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 3 - VALUATION OF INVESTMENTS (Continued)

State of Indiana 401(a) Retirement Plan

Mutual funds, at fair value:

American Funds EuroPacific Growth Fund Class R-6	\$ 6,505,894
Domini Impact Equity Institutional Fund	1
Fidelity Diversified International Fund	187
Fidelity Diversified International K6 Fund	6,184,102
Fidelity Low-Priced Stock Fund	1,371,144
Indiana Flexible Bond Fund	177,506
IronBridge Frontegra Institutional Fund	80
MFS Mid Cap Value Fund Class R6	5,324,041
PIMCO Total Return Fund Institutional Class	5,654,957
Vanguard Capital Opportunity Fund Admiral Shares	11,532,098
Vanguard Extended Market Index	2
Vanguard FTSE Social Index Fund Institutional Shares	5,146,495
Vanguard Institutional Index	5
	<u>41,896,512</u>

Collective trust funds, at net asset value:

BNY Mellon NSL US Dynamic Large Cap Value	7,749,908
State of Indiana Inflation – Linked Bond	2,734,086
State Street Russell Small/Mid Index Securities Lending Class II	8,644,679
State Street S&P 500 Index Securities Lending Series Fund Class II	7,186,840
State Street Target Retirement 2020 Fund Class V	1,477,504
State Street Target Retirement 2025 Fund Class V	6,655,913
State Street Target Retirement 2030 Fund Class V	2,437,452
State Street Target Retirement 2035 Fund Class V	7,722,993
State Street Target Retirement 2040 Fund Class V	2,831,548
State Street Target Retirement 2045 Fund Class V	9,035,038
State Street Target Retirement 2050 Fund Class V	6,551,879
State Street Target Retirement 2055 Fund Class V	2,082,263
State Street Target Retirement 2060 Fund Class V	3,114,141
State Street Target Retirement Income Fund Class V	3,027,439
T. Rowe Price Blue Chip Growth Tr-T2	<u>13,074,082</u>
	84,325,765

Fund of funds, at net asset value:

Indiana 2020 Fund	32
Indiana 2025 Fund	7
Indiana 2030 Fund	100
Indiana 2035 Fund	39
Indiana 2040 Fund	78
Indiana 2045 Fund	135
Indiana 2050 Fund	103
Indiana 2055 Fund	156
Indiana 2060 Fund	<u>253</u>
	903

Indiana Retirement Fund, at net asset value: 29

Stable value fund, at contract value:

Indiana Stable Value Fund	31,041,666
Total investments	<u>\$ 157,264,875</u>

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 3 - VALUATION OF INVESTMENTS (Continued)

State of Indiana 457 Retirement Plan – Local Political Subdivisions

Mutual funds, at fair value:

American Funds EuroPacific Growth Fund Class R-6	\$ 10,707,029
Fidelity Diversified International Fund	2
Fidelity Diversified International K6 Fund	9,324,857
Fidelity Low-Priced Stock Fund	3,520,572
Indiana Flexible Bond Fund	513,563
IronBridge Frontegra Institutional Fund	1
MFS Mid Cap Value Fund Class R6	8,721,451
PIMCO Total Return Fund Institutional Class	12,062,545
Vanguard Capital Opportunity Fund Admiral Shares	19,235,426
Vanguard FTSE Social Index Fund Institutional Shares	9,468,389
	<u>73,553,835</u>

Collective trust funds, at net asset value:

BNY Mellon NSL US Dynamic Large Cap Value	13,991,312
State of Indiana Inflation – Linked Bond	6,583,222
State Street Russell Small/Mid Index Securities Lending Class II	13,997,351
State Street S&P 500 Index Securities Lending Series Fund Class II	15,813,723
State Street Target Retirement 2020 Fund Class V	1,128,239
State Street Target Retirement 2025 Fund Class V	6,851,276
State Street Target Retirement 2030 Fund Class V	2,480,467
State Street Target Retirement 2035 Fund Class V	5,006,883
State Street Target Retirement 2040 Fund Class V	1,705,086
State Street Target Retirement 2045 Fund Class V	2,224,555
State Street Target Retirement 2050 Fund Class V	1,027,312
State Street Target Retirement 2055 Fund Class V	506,061
State Street Target Retirement 2060 Fund Class V	176,015
State Street Target Retirement Income Fund Class V	5,071,031
Thomas Rowe Price Blue Chip Growth Tr-T2	16,377,196
	<u>92,939,729</u>

Stable value fund, at contract value:

Indiana Stable Value Fund	53,202,203
Total investments	<u>\$ 219,695,767</u>

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
 NOTES TO FINANCIAL STATEMENTS
 Year Ended December 31, 2019

NOTE 3 - VALUATION OF INVESTMENTS (Continued)

State of Indiana 401(a) Retirement Plan – Local Political Subdivisions

Mutual funds, at fair value:

American Funds Euro-Pacific Growth Fund Class R-6	\$ 877,523
Fidelity Diversified International K6 Fund	668,747
Fidelity Low-Priced Stock Fund	80,407
Indiana Flexible Bond Fund	4,273
MFS Mid Cap Value Fund Class R6	575,568
PIMCO Total Return Fund Institutional Class	743,588
Vanguard Capital Opportunity Fund Admiral Shares	658,115
Vanguard FTSE Social Index Fund Institutional Shares	<u>545,012</u>
	4,153,233

Collective trust funds, at net asset value:

BNY Mellon NSL US Dynamic Large Cap Value	568,941
State of Indiana Inflation – Linked Bond	417,588
State Street Russell Small/Mid Index Securities Lending Class II	974,292
State Street S&P 500 Index Securities Lending Series Fund Class II	630,434
State Street Target Retirement 2020 Fund Class V	54,311
State Street Target Retirement 2025 Fund Class V	641,547
State Street Target Retirement 2030 Fund Class V	106,473
State Street Target Retirement 2035 Fund Class V	547,729
State Street Target Retirement 2040 Fund Class V	144,872
State Street Target Retirement 2045 Fund Class V	315,461
State Street Target Retirement 2050 Fund Class V	57,179
State Street Target Retirement 2055 Fund Class V	73,366
State Street Target Retirement 2060 Fund Class V	36,188
State Street Target Retirement Income Fund Class V	471,155
Thomas Rowe Price Blue Chip Growth Tr-T2	<u>581,370</u>
	5,620,906

Stable value fund, at contract value:

Indiana Stable Value Fund	<u>1,999,064</u>
Total investments	<u>\$ 11,773,203</u>

Custodial Credit Risk for Investments

Custodial credit risk for investments is a risk if the securities are uninsured, are not registered in the name of the Plan, and are held by either the counterparty or the counterparty's trust department or agent, but not in the name of Plan. Investment managers are not allowed, under any circumstances, to take possession, custody, title, or ownership of any managed assets.

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
 NOTES TO FINANCIAL STATEMENTS
 Year Ended December 31, 2019

NOTE 3 - VALUATION OF INVESTMENTS (Continued)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a plan's investment in a single issuer. Following is a listing of the Plan's investments with single issuers in excess of 5 percent of fiduciary net position and 5 percent of total investments as of December 31, 2019:

State of Indiana 457 Retirement Plan

<u>Issuer</u>	<u>Amount</u>
Fidelity	\$ 57,840,100
PIMCO	55,098,955
Vanguard	125,392,742
Bank of New York	63,577,456
State Street	307,244,979
T. Rowe Price	80,926,790
Indiana Stable Value Fund	249,791,655

State of Indiana 401(a) Retirement Plan

<u>Issuer</u>	<u>Amount</u>
Fidelity	\$ 7,155,433
Vanguard	16,678,600
State Street	60,767,689
T. Rowe Price	13,074,082
Indiana Stable Value Fund	31,041,666

State of Indiana 457 Retirement Plan – Local Political Subdivisions

<u>Issuer</u>	<u>Amount</u>
Fidelity	\$ 12,845,431
PIMCO	12,062,545
Vanguard	28,703,815
Bank of New York	13,991,312
State Street	55,987,999
T. Rowe Price Blue Chip Growth Tr-T2	16,377,196
Indiana Stable Value Fund	53,202,203

State of Indiana 401(a) Retirement Plan – Local Political Subdivisions

<u>Issuer</u>	<u>Amount</u>
American Funds	\$ 877,523
Fidelity	749,154
PIMCO	743,588
Vanguard	1,203,127
State Street	4,053,007
Indiana Stable Value Fund	1,999,064

STATE OF INDIANA PUBLIC EMPLOYEE DEFERRED COMPENSATION PLAN
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

NOTE 3 - VALUATION OF INVESTMENTS (Continued)

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan invests in multiple equity funds which hold underlying investments in mostly large issuers in developed countries with liquid markets.