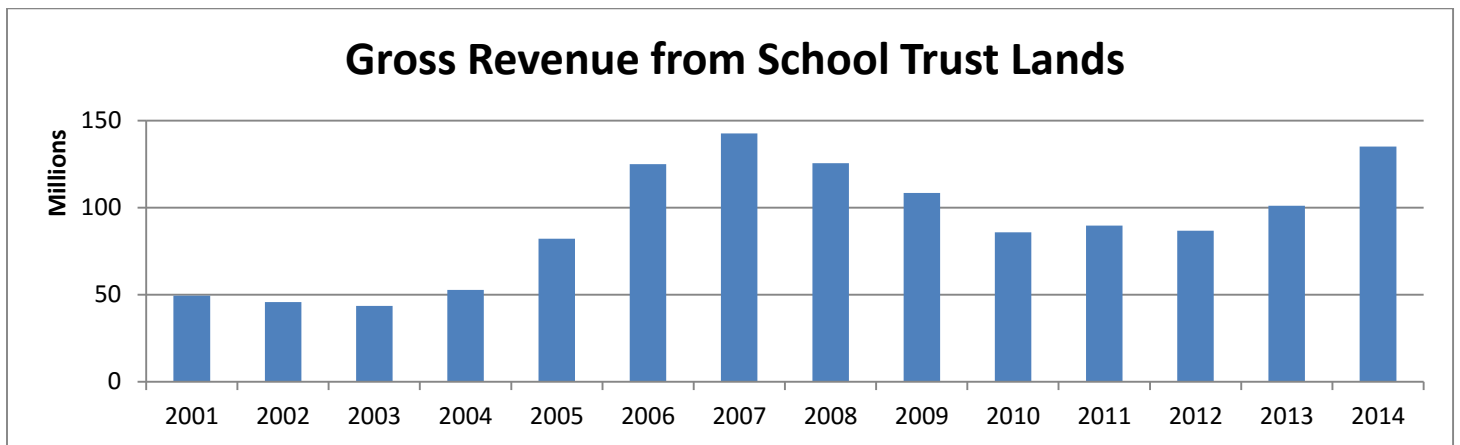
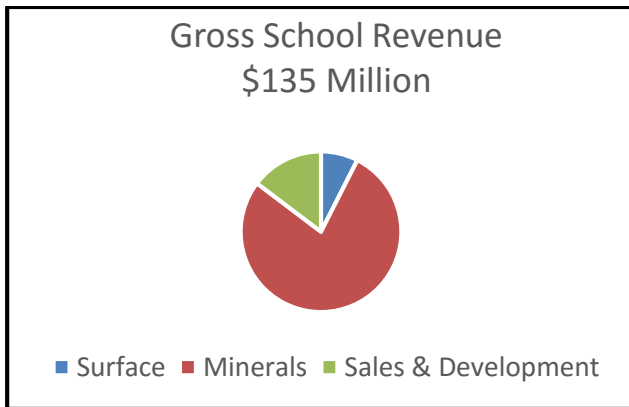


UTAH SCHOOL TRUST LANDS

FY 2014

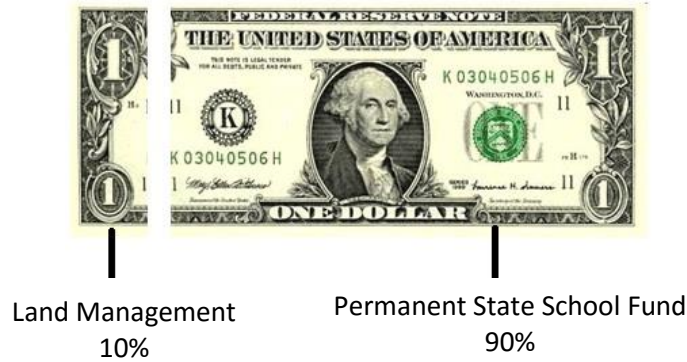
In 1896 at statehood, six million acres of school lands were granted by Congress to Utah to support public schools. These school trust lands are part of a “sacred compact” or enabling act between Utah and the United States, requiring the state to act with undivided loyalty as it manages the school lands to support public schools. Scattered all over the state, Utah has nearly 3.3 million surface acres and 4.1 million mineral acres remaining in the School Trust. The lands are managed by the School and Institutional Trust Lands Administration (SITLA). Here is what was earned for Utah school students in fiscal year 2014:



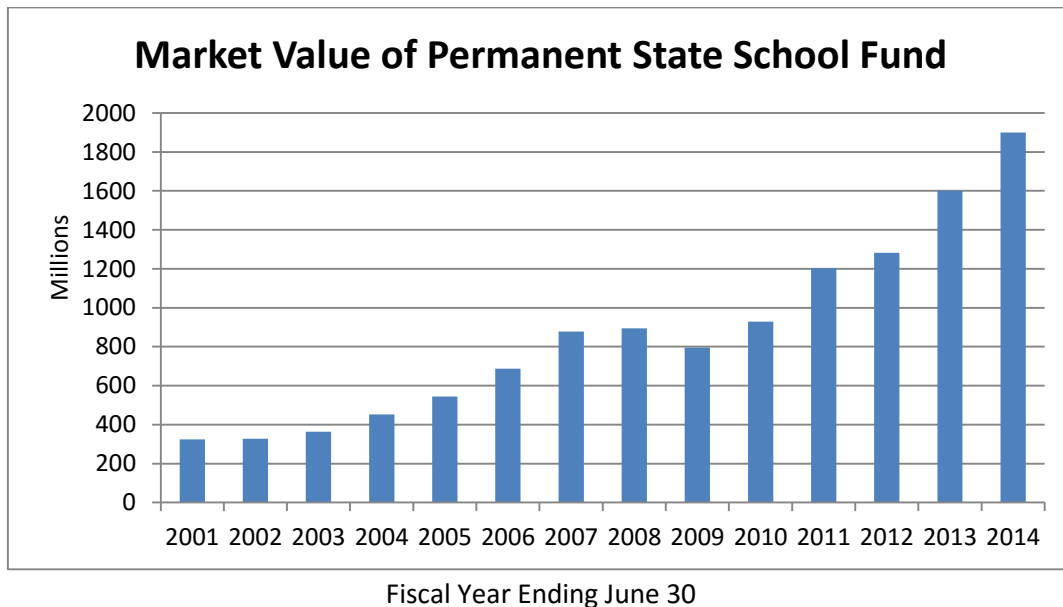
SITLA’s Major accomplishments were completion of a 6-year land exchange with the federal government on 60,000 acres; recovery of \$1.5 million in unpaid royalties; work on Blawn Mountain potash into production; approval of the U. S. Oil Sands mining plan on 32,000 school acres; over 1,000 directionally drilled oil and gas wells and 76 horizontal wells; and record high grazing and surface revenue. SITLA supported good stewardship by conservation agreements on 2 rare plants in the Basin and limiting wild horse degradation of the lands.

After paying expenses, all net revenue from the land is saved in the permanent State School Fund which is invested by the State Treasurer. All capital gains are reinvested to grow the fund. All interest and dividends are distributed annually to each public school based mainly on student population. Each school elects a majority of parents plus teachers and the principal to serve on their school community council. This council then develops an academic plan to use the money to improve student academic performance. Local school boards approve the plans, and each school implements their plan.

Of the \$135 million generated from the lands last fiscal year, \$13 million was used to manage the lands and \$122 million was invested in the permanent fund. Interest and dividends of \$40 million from investment of the permanent State School Fund went to each school based primarily on student population. For every dollar generated from the lands, this is where the dollar went:



States that invest all of their revenue in their permanent school fund have, over time, more money to support schools, just as people who save have more money than those who spend. By reinvesting capital gains, investments generate greater returns for schools when prudently invested. The State School Fund has grown:



In FY 2014 the legislature created an independent investment board and office to be known as the School and Institutional Trust Funds Office, responsible for investing the growing \$2 billion in trust funds. The elected State Treasurer is the Chair with four other investment professionals provided by a nominating committee and appointed by the State Treasurer. The office will be fully functional by June 30, 2015. The State Treasurer invested the \$1.9 billion School Fund, returning 19.43% in total investment return in FY 2014.

The revenue from school lands and funds are used differently in various states. Wisconsin funds school libraries, Washington and Colorado build schools, Arizona funds classroom needs, and Utah sends the funds to school community councils in each school to develop academic programs to improve student performance. Many states deposit the children’s trust revenue in the overall education pot, supplanting other revenue sources.

**FOR A MAP & MORE INFO ON UTAH, PLEASE VISIT CHILDRENSLANDALLIANCE.ORG
ALSO VISIT SCHOOLTRUST.UTAH.GOV**