
Permanent School Fund Task Force Report

Report to the Legislature

As required by Laws of Minnesota, 2024, Ch. 115, Art. 10, Sec. 4



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Table of Contents

Executive Summary..... 3

Introduction..... 4

 Legislative Charge 4

 Guiding Principles 5

 Scope 5

Background of the Permanent School Fund..... 6

Current Legal Framework..... 7

Research and Analysis..... 9

 1. Examination of Historical Returns 9

 2. Examination of School Trust Endowment Policies 11

 3. Evaluation of Potential Changes to Distribution of Earnings 14

 Research & Analysis Conclusion 18

Recommendation from the Task Force 19

Conclusion 21

 Definitions 22

Bibliography..... 24

 Background on SBI and Research Sources..... 25

Appendix

- A. Definitions
- B. Bibliography
- C. Background on SBI and Research Sources
- D. Sustaining Missions and Navigating Markets: Frameworks for Endowment and Foundation Spending Policies (Meketa Investment Group)
- E. Spending Analysis Minnesota Permanent School Fund 9.30.2024 (Aon Investments)
- F. March 2025 Full Year School Land Trust Endowment Payment
- G. 2024 SBI Annual Report pages 153-154
- H. Task Force Meetings

Attachments

- 1. Laws of Minnesota 2024, Chapter 115, Article 10, section 4
- 2. Minnesota Constitution, Article 11, section 8 (proposed language)
- 3. Minnesota Statutes 2024, section 11A.16 (proposed language)
- 4. Minnesota Constitution, Article 11, section 8 (redline)

Executive Summary

In May 2024, the Minnesota legislature created the Permanent School Fund; Distribution of Endowment Fund Earnings Task Force to examine historical Fund performance, evaluate distribution practices, and recommend potential statutory and constitutional changes.

The Task Force evaluated the current law compared to current investment management best practices and trust principles and identified several notable opportunities for meaningful improvement.

In the course of its work, the Task Force observed that the Fund has experienced strong long-term investment growth, increasing in value from \$675 million in 2010 to \$2.3 billion in fiscal year 2025. However, the Constitution limits distributions to interest and dividend income only and requires complex loss recovery mechanisms. These constitutional restrictions are a unique aspect of Minnesota's Permanent School and prevent the Fund from distributing capital gains, potentially reduce annual distributions, and create undesirable variability in payments to school districts.

In order to evaluate potential approaches to address these concerns, the Task Force reviewed best practices from other states and endowments around the country. This review indicated that most modern school trust funds and educational endowments base distributions on a percentage of total market value using a multi-year average to mitigate the effects of market volatility. Several states have adopted these modern approaches.

After evaluating industry research and scenarios designed specifically for the Fund, the Task Force concluded that a 4.5% distribution rate calculated using a 3-year rolling average of Fund value best balances consistent annual distributions with long-term preservation of Fund value. Additionally, this distribution rate demonstrates a greater potential for sustained long-term growth than higher rates while nearly doubling expected near-term distributions compared to the historical formula. This approach also aligns with industry best practices and achieves a more effective balance between providing stable distributions and preserving the Fund for future generations.

Based on historical performance, peer practices, and financial modeling, the Task Force recommends:

- I. Amending the Minnesota Constitution to establish broad, enduring principles for managing the Fund, including protecting the Fund as a perpetual financial resource, with predictable annual distributions, the preservation of purchasing power, and the flexibility to follow best practices.
- II. Shifting detailed distribution mechanics, governance, and management standards to statute to allow for future legislative flexibility in determining the best implementation practice to achieve the guiding principles.
- III. Adopting the proposed distribution policy based on 4.5% of the three-year rolling average of the Fund's value to replace the current interest-and-dividend-based formula.

These changes would modernize the management of the Fund, align Minnesota with national best practices, and better serve both current and future generations of Minnesota students.

Introduction

Legislative Charge

In May 2024, “The Permanent School Fund; Distribution of Endowment Fund Earnings Task Force” (Task Force) was established by Minnesota Laws, Chapter 115, Article 10, Section 4. The legislatively directed duties of the Task Force, as detailed in subdivision 3, are:

The task force must examine the historical returns on the permanent school fund endowment and evaluate and recommend potential changes to the distribution of earnings. The task force may examine school trust endowment policies in other states. The task force recommendations may include proposed changes to state statutes and Minnesota's constitutional provisions governing the school trust fund endowment.

Laws of Minnesota 2024, Chapter 115, Article 10, section 4, subd. 3

The Task Force membership comprises:

The commissioner of education or the commissioner's designee:

- Daley Lehmann

An employee or other member appointed by the State Board of Investment:

- Andrew Krech

Four members appointed by the governor:

- Denise Dittrich
- Tracey Fiereck
- Tracy Lhotka
- Aaron Vande Linde

Three members appointed by vote of the Legislative Permanent School Fund Commission:

- Terese Spano-Madden
- Paul Peltier
- Julie Sandstede

This report is presented by the task force in accordance with Minnesota Laws, Chapter 115, Article 10, Section 4, subdivision 4:

The task force must report its recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over the permanent school fund by January 15, 2026. The task force report must be submitted consistent with Minnesota Statutes, section 3.195. The task force expires on January 15, 2026, or upon submission of the report required under this subdivision, whichever occurs earlier.

Guiding Principles

Through the course of its work, the Task Force determined that its recommendations for modernizing the management of the Permanent School Fund (the Fund) should be guided by the following principles:

- **Maintain the Permanent School Fund as a perpetual financial resource** — distributions must not unduly draw down the Fund’s balance or impair its ability to serve as a lasting source of educational funding.
- **Establish a distribution policy that balances the needs of current and future beneficiaries** — the distribution policy should allow the Fund to grow in a way that preserves its purchasing power for future generations while providing consistent support to current beneficiaries.
- **Ensure consistent annual distributions** — the distribution policy should seek to minimize significant year-to-year variability in distributions to support planning and stability for school districts.
- **Allow for adaptability in investment management** — provide the State Board of Investment (SBI) with the flexibility to manage the Fund according to best practices, maximizing long-term value without taking undue risk.

These principles provided a framework to guide the Task Force in fulfilling its statutorily mandated duties. They are intended to balance the long-term preservation of the Fund with its purpose of supporting Minnesota schools across generations, while also providing the SBI with the flexibility needed to navigate evolving financial landscapes and market conditions.

Scope

Pursuant to its statutory mandate, the Task Force examined the Fund’s current legal framework and how the Fund’s assets are invested and distributed. Based on this analysis, the Task Force developed recommendations for managing the Fund’s assets and the formula used to determine the amounts available for distribution from the Fund.

In the course of its work, the Task Force discussed a range of important topics and concluded that some were outside the scope of the Task Force’s legislative mandate, including the following:

- Management of School Trust Lands;
- Review or analysis of apportionment of distributions from the Fund. Apportionment is addressed in Minn. Stat. sec. 127A.33 [2024];
- Defining what is and is not a school district;
- Any restrictions on the use of funds distributed from the Fund; and
- The Fund’s investment policy and asset allocation.

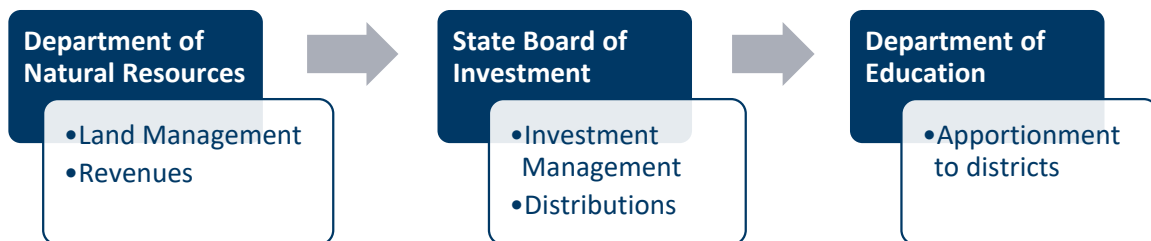
Background of the Permanent School Fund

The origins of the Fund date back to the early history of the United States—well before the establishment of Minnesota’s statehood and even the ratification of the U.S. Constitution. The Land Ordinance of 1785 established a standardized system for westward expansion by dividing new territories into six-square-mile townships, each further subdivided into 36 one-square-mile sections. To promote and fund public education in the growing nation, Congress established the school land grant program by designating one of these square-mile sections within each township specifically for the support of public schools. By the time Minnesota entered the Union in 1858, a second section had been added to the school land grant, resulting in two sections per township being reserved to support public education in western states.

Consistent with these federal priorities, in 1858 the Minnesota Constitution established the Fund to create a permanent, self-sustaining source of education funding. Today, three state agencies play key roles in managing and administering the Fund: the Minnesota Department of Natural Resources (DNR); the Minnesota State Board of Investment (SBI); and the Minnesota Department of Education (MDE). The DNR manages the Fund’s real property assets—known as school trust lands—and transfers net revenues into the Fund from natural resource management activities. In addition, the recently created Office of School Trust Lands advises and provides recommendations for school trust land management policies and activities.

Once deposited into the Fund, these revenues are invested by the SBI in a diversified portfolio of financial assets. The dividends and interest earned from these investments are available for distribution from the Fund. The Minnesota Department of Education then apportions the available funds to school districts across the state in the manner prescribed by statute.

Figure 1. State Agency Roles



Minnesota law specifies how the SBI invests and manages Fund financial assets, and the formula by which the amount available for distributions is calculated. As discussed in subsequent sections of this report, these limitations constrain the ability of the Fund and its managers to effectively fulfill their purpose of supporting both current and future beneficiaries. Minnesota’s current constitutional and statutory structure is not in alignment with endowment management best practices – particularly, investment strategy and distribution policy.

Current Legal Framework

Current Minnesota law imposes restrictions on the amounts distributable from the Fund and requirements related to offsetting investment losses. The Task Force determined that this framework unduly limits trust distributions, creating an imbalance between the interests of current and future beneficiaries and producing inconsistent yearly distribution amounts. Additionally, because the highly specific distribution language is set forth in the Constitution, it is difficult to amend the governing framework to adapt to changing circumstances or current best practices.

The Minnesota Constitution currently provides:

*Within limitations prescribed by law, the fund shall be invested to secure the maximum return consistent with the maintenance of the perpetuity of the fund. The principal of the permanent school fund shall be perpetual and inviolate forever. This does not prevent the sale of investments at less than the cost to the fund; however, **all losses not offset by gains shall be repaid to the fund from the interest and dividends earned thereafter. The net interest and dividends arising from the fund shall be distributed to the different school districts of the state in a manner prescribed by law.***

Minn. Const. Art. 11, Sec. 8 (emphasis added)

This constitutional language imposes two significant limitations on Fund distributions. First, it restricts distributions to net interest and dividend income, prohibiting the distribution of capital gains reflecting asset appreciation. Second, it requires the SBI to apply capital gains—and, if necessary, interest and dividend income—to offset any losses before making distributions, thereby limiting distributions in any year when losses must be recovered. As discussed later in this report, current best practices and the results of Fund-specific scenario analysis reviewed by the Task Force indicates that there are more effective ways to achieve the objectives of ensuring consistent annual distributions and maintaining the Fund as a perpetual financial resource than the current restrictions.

Under the applicable Minnesota State Statute, these constitutional principles are implemented as follows:

As of the end of each fiscal year, the state board shall calculate the investment income earned by the permanent school fund. The investment income earned by the fund shall equal the amount of interest on debt securities, dividends on equity securities, and interest earned on certified monthly earnings prior to the transfer to the Department of Education. Gains and losses arising from the sale of securities shall be apportioned as follows:

- (a) If the sale of securities results in a net gain during a fiscal year, the gain shall be apportioned in equal installments over the next ten fiscal years to offset net losses in those years. If any portion of an installment is not needed to recover subsequent losses identified in paragraph (b) it shall be added to the principal of the fund.
- (b) If the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered first from the gains in paragraph (a) apportioned to that fiscal year. If these gains are insufficient, any remaining net loss shall be recovered from interest and dividend income in equal installments over the following ten fiscal years.

Minn. Stat. Art. 11A, Sec. 16, subd. 5

Consistent with the Constitution, capital gains are not distributable—to the extent they exceed the amount required to offset losses, they add to the overall value of the Fund. The statute directs the SBI to apply any net capital gains to offset net capital losses that the Fund may incur over the next ten years. If the amount of net capital gains is insufficient to cover such losses, the SBI must divide the remaining loss into yearly installments over the next ten years and apply interest and dividend income each year to offset the amount of loss allocated to that year.

The Task Force evaluated the current law compared to current investment management best practices and trust principles and identified several opportunities for meaningful improvement.

First, by limiting distributions from the Fund to interest and dividend income, the Constitution and statutes unduly constrain the amount of funds available annually to school districts. Capital gains represent a significantly greater portion of the Fund’s earnings, and current law therefore reduces distributions by excluding them from the distribution formula.

The “interest and dividend” limitation also creates inequities between current and future beneficiaries. The intent of the Fund is to support public education in Minnesota in perpetuity. The Task Force found that best practices utilize a distribution formula that offers the greatest current benefit while protecting that benefit for future generations. By not allowing for distributions of any capital gains, current law allows the value of the trust to grow significantly without sufficient benefit to current beneficiaries.

In addition to the general limitation on distributions, the mechanical procedure for offsetting net losses of the Fund may lead to inconsistent yearly distribution amounts, and further limit the amount distributed to Minnesota Schools. If interest and dividend income is applied to offset previous losses, the amount of a distribution in a given year will be inconsistent and smaller when compared to prior years.

Finally, the Constitution’s specific restrictions are inflexible and difficult to amend. Currently, any adjustment to the Fund’s distributable amount requires a constitutional amendment, limiting flexibility to update the distribution formula, incorporate best practices, and best serve the intended purpose.

Research and Analysis

This section of the report describes the research and analysis the Task Force used to reach its recommendations.

The duties of the Task Force are as follows:

The task force must examine the historical returns on the permanent school fund endowment and evaluate and recommend potential changes to the distribution of earnings. The task force may examine school trust endowment policies in other states. The task force recommendations may include proposed changes to state statutes and Minnesota's constitutional provisions governing the school trust fund endowment.

Laws of Minnesota 2024, Chapter 115, Article 10, section 4, subd. 3

These duties are addressed in this section as:

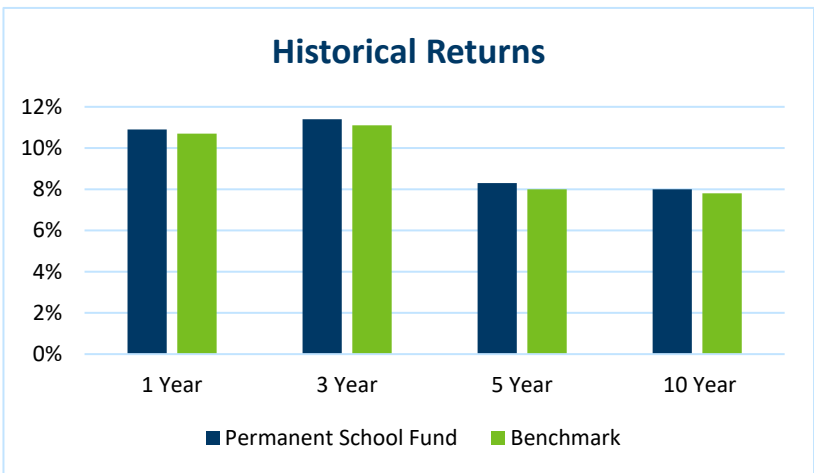
1. Examination of historical returns
2. Examination of school trust endowment policies
3. Evaluation of potential changes to the distribution of earnings

1. Examination of Historical Returns

The Task Force examined the historical returns of the Fund and found that the value of the Fund has increased significantly over time. The Fund is invested in a diversified portfolio of common stocks, bonds, and cash. The equity segment is passively managed and seeks to track the performance of the S&P 500 Index. The bonds segment is actively managed and seeks to outperform the Bloomberg U.S. Aggregate Bond Index. The cash segment is actively managed and seeks to outperform the iMoneyNet Money Fund Average.

As of September 30, 2025, over the last 10 years the Fund has generated an annualized net return of 8.0%. Returns in more recent periods have been even stronger with a 5-year return of 8.3%, a 3-year return of 11.4% and a 1-year return of 10.9%. The bar graph below illustrates these returns relative to the Fund's performance Benchmark.

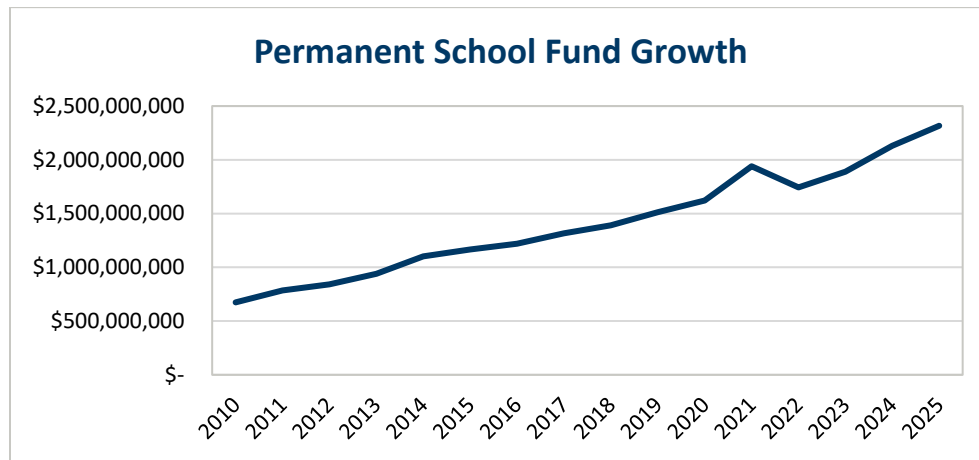
Graph 1. Historical Returns



Note: Returns are presented net of investment management fees. The Fund's Benchmark is a blend of the S&P 500 index (50%), the Bloomberg U.S. Aggregate Bond Index (48%), and the iMoneyNet Money Fund Average (2%).

Strong investment returns have helped to double the Fund’s value over the last 10 years and more than triple its value over the last 15 years, growing from \$675 million at the end of fiscal year 2010 to \$2.3 billion at the end of fiscal year 2025.

Graph 2. Permanent School Fund Growth



Note: Value of the Fund is shown for each fiscal year end through June 30, 2025.

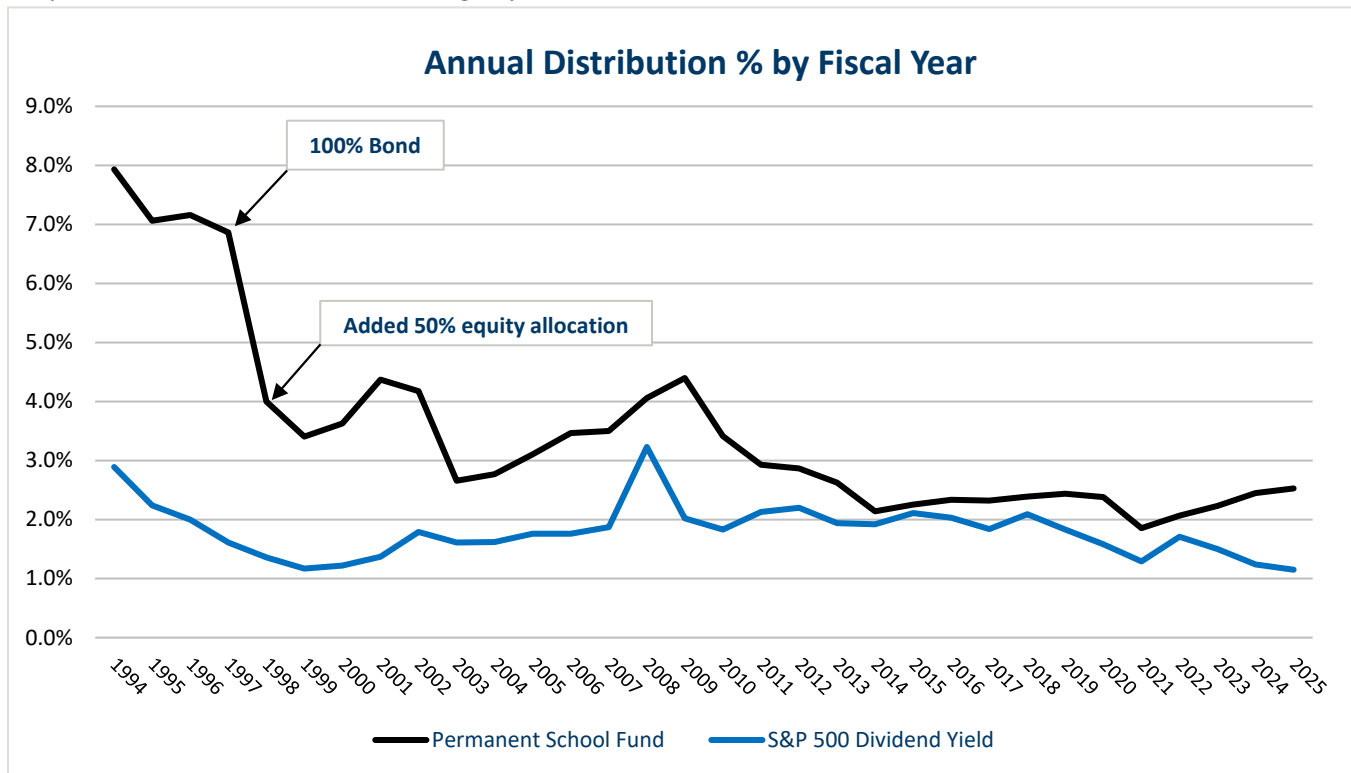
The distributable earnings are the funds that the Minnesota Department of Education apportions to school districts across the state. However, because current law restricts the distributable earnings to only the interest and dividends generated by the Fund’s investments, their growth has not kept pace with the steady appreciation of the Fund’s total value over the last ten years.

Table 1. Historical Distributable Earnings & Revenues from Land Management

Fiscal Year	Distributable Earnings	Revenues from Land Management	Fund Value	Investment Gain/Loss*
2011	\$23,000,000	\$21,727,000	\$785,126,038	\$112,506,535
2012	\$24,138,742	\$41,764,906	\$841,906,167	\$39,153,965
2013	\$24,656,936	\$31,500,000	\$939,223,000	\$90,473,768
2014	\$23,585,424	\$48,649,000	\$1,101,617,851	\$137,331,275
2015	\$26,300,107	\$35,900,000	\$1,166,570,261	\$55,352,516
2016	\$28,456,662	\$25,996,415	\$1,219,441,399	\$55,331,386
2017	\$30,569,088	\$59,166,534	\$1,316,578,080	\$68,539,235
2018	\$33,233,896	\$14,179,887	\$1,391,419,583	\$93,895,512
2019	\$36,872,377	\$25,245,825	\$1,512,574,251	\$132,781,219
2020	\$38,588,939	\$29,897,286	\$1,621,486,420	\$117,603,823
2021	\$35,977,996	\$28,055,166	\$1,939,972,265	\$326,408,674
2022	\$36,038,822	\$39,450,879	\$1,743,213,504	\$(200,170,818)
2023	\$42,171,163	\$25,623,972	\$1,889,599,161	\$162,932,848
2024	\$52,173,484	\$35,603,671	\$2,130,202,809	\$257,173,460
2025	\$58,571,137	\$13,896,533	\$2,316,674,901	\$231,146,696

*Investment Gain/Loss = Fund Value – Previous Year Fund Value + Distributable Earnings – Revenues from Land Management

Graph 3. Annual Distribution Percentage by Fiscal Year



Upon review of the historical returns and growth of the Fund, the Task Force determined that the annual distributions to school districts could better balance the needs of current and future beneficiaries. The appreciation of the stock market and changes to investment management practices since the Fund was established have led to a significant increase in the Fund's value. Although the fund has doubled in size due to average annual investment returns of 8% over the past decade, the Constitution limits distributions to interest and dividends, which have averaged only 2.5% of the fund's value during that period. As a result, the excess return (approximately 5.5% annually over the last decade) accumulates for future beneficiaries, creating an imbalance between the needs of current and future generations despite strong investment performance.

2. Examination of School Trust Endowment Policies

The Task Force examined the distribution policies from three different groups of trust endowments: educational trust funds in other states; other trust funds in Minnesota; and endowments of higher education institutions. Based on this review, the Task Force determined that Minnesota school districts would benefit from changes in state law that allow annual distributions from the Fund to be sourced from all earnings, including capital gains, rather than being limited to interest and dividend income.

To determine an appropriate change to the distribution of earnings, the Task Force evaluated the distribution policies of a wide range of institutions, endowments, and foundations. In doing so, the Task Force relied on industry research and surveys conducted by Meketa Investment Group, Aon Investments, and the National Association of College and University Business Officers (NACUBO). The Task Force then worked with the SBI staff to evaluate the suitability of different policies for the Permanent School Fund. More information on each of these organizations is available in the appendix.

The following section presents external research findings on the distribution policies commonly used across other endowments and similar funds.

External Research on Common Distribution Policies

As the Task Force considered alternatives to the existing distribution policy, it relied on a broad sample size of policies from other institutions faced with the same challenge of providing predictable distribution amounts to meet current needs while protecting the long-term value of the fund all while navigating uncertain and volatile investment markets.

Using Meketa Investment Group’s research on a much larger sample size of institutions than only trust funds in Minnesota or other states, the Task Force observed that even though there are many variations, the most common distribution method among endowments and similar funds is a rolling average policy. This distribution policy applies a fixed percentage to the average market value of a fund over multiple years. The table below shows an example of this policy in comparison to other options used by some institutions.

Table 2. Policy Distribution Comparison

Distribution Policy Type	Example
Simple	Spend 5% of prior year’s ending market value.
Rolling Average	Spend 5% of prior three years’ average ending market value.
Inflation Based	Base 5% in year one; increase annually by inflation
Inflation Based with Caps	Inflation-based, limited to 3%–7% of value.
Hybrid: 50/50	50% of spending based on “Rolling Average,” 50% based on “Inflation Based with Caps.”
Hybrid: 30/70	30% of spending based on “Rolling Average,” 70% based on “Inflation Based with Caps.”

Source: Meketa Investment Group

NACUBO confirms that variations of the rolling average approach are the most widely used method to smooth market volatility.

Spending may have resembled a one-size-fits-all proposition for some years, as some variation of spending a percentage of endowment values was the accepted methodology. By the latter 1990s and early years of the 2000s the Studies reported a much greater range of choice. The predominant methodology was still spending a percentage of endowment values, but to smooth variability the rate was calculated over rolling time periods.¹

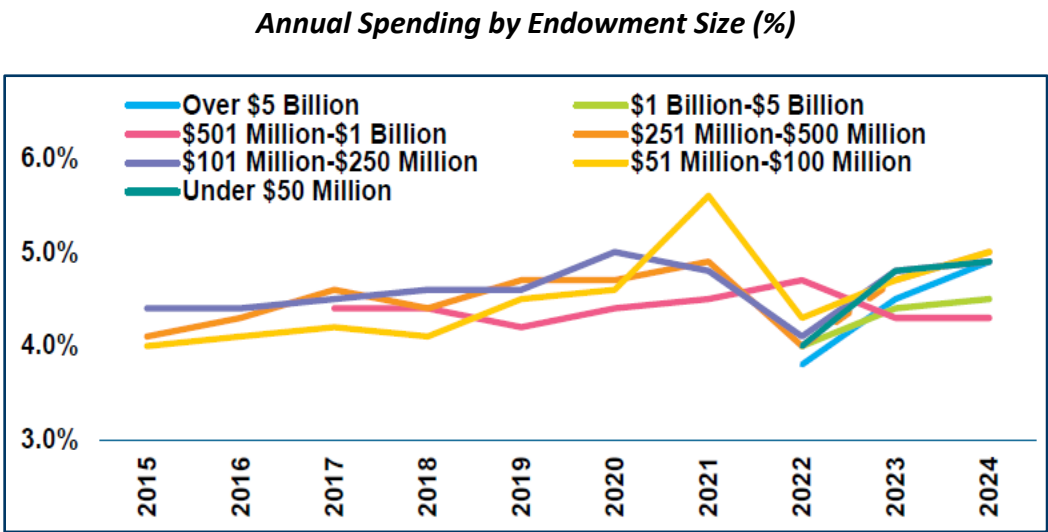
¹ NACUBO (National Association of College and University Business Officers & Commonfund). The NACUBO Endowment Study: A 50-Year Retrospective – Documenting a Period of Unprecedented Change. The Solutions Exchange, National Association of College and University Business Officers, February 2024. <https://www.nacubo.org/Publications/The-Solutions-Exchange/The-NACUBO-Endowment-Study-A-50-Year-Retrospective>

In regards to the specific distribution rate, consultant research indicates that most endowments distribute **4%–5%** of their average value annually. This range is considered sustainable, balancing current funding needs with long-term preservation of purchasing power. Public and private endowments report similar spending rates.

The NES (NACUBO Endowment Study) measured annual spending from its earliest days. The 136 institutions participating in the Study for FY74 reported spending an average of 4.8 percent of their endowments’ market value—a rate that would be familiar to today’s boards and investment committees... With the passage of time, early Studies’ distinction between the spending practices of public and private institutions has not just blurred, it has been all but erased by the growth of public institution endowments and institution-related foundations²

According to Meketa Investment Group, “the fiscal year average spending rate for all endowments has ranged from 4.3% to 4.6% over the past ten years.”³ Using information from multiple years of the NACUBO survey, Meketa Investment Group constructed the following chart showing distribution rates over time.

Graph 4. Annual Spending by Endowment Size Percentage



Source: Meketa Investment Group

Another key feature of rolling average policies is the length of the averaging period. Consultant surveys show that the most common period is three years, with five years as the second most common. Averages may be calculated using quarter-end or year-end values.

NACUBO surveys over several years have indicated that “three years was, and is, by far the most widely used, but it could also be segmented by quarters (as many as 60).”⁴ The second most common time period used by institutions is five years. Regardless of the length of the time period, the average value can be calculated using

² NACUBO Id.

³ Meketa Investment Group. Sustaining Missions and Navigating Markets: Frameworks for Endowment and Foundation Spending Policies, May 2025. <https://www.meketa.com/leadership/sustaining-missions-and-navigating-markets-frameworks-for-endowment-and-foundation-spending-policies/>

⁴ NACUBO Id.

quarter-end or year-end data within that range. For additional information, refer to the Appendix for Meketa Investment Group's "Sustaining Missions and Navigating Markets."⁵ This report provides a comprehensive review of the frameworks utilized by endowments and foundations for setting distribution policies. Meketa Investment Group conducts a periodic survey among endowment and foundation clients that covers a range of topics including donation/spending policies, total fund return objectives, and asset allocation. This report aggregates data from Meketa Investment Group clients and market research.

The Task Force also examined the policies governing school trust funds in other states. Through this review, the Task Force determined that Minnesota one of the few states still operating under 19th-century restrictions. Most other states have modernized their governing provisions to base annual distributions on a percentage of the fund's market value and use multi-year averaging to moderate the impact of market volatility, rather than limiting distributions to interest and dividend income.

As part of this analysis, policies in nine different states were reviewed. Several states were selected for closer examination as representative examples of different approaches to different distribution mechanisms and whether those mechanisms were in statute, the constitution, or a mix of both: Idaho, New Mexico, Texas, and Utah.

- In Idaho, earnings from the fund are deposited into an earnings reserve fund. Those earnings may then be transferred back to the fund or distributed through the public school income fund.
- In New Mexico, annual distributions equal 5% of the average year-end market value of the fund over the preceding five years. An additional distribution of 1.25% is permitted if the fund's value exceeds \$17 billion.
- In Texas, up to 6% of the average market value of the fund may be distributed. This rate is set by the State Board of Education or the legislature, and the total value of distributions over a 10-year period may not exceed the total return on investment assets over the same period.
- In Utah, up to 7% of the market value of the fund may be distributed.

In reviewing other state trusts in Minnesota, the Task Force observed that distributions from these funds do not have restrictions on the distribution policy specified in the Constitution. They also commonly determine distributions based on a percentage of the fund's market value. For example, in Minnesota's Environmental Trust Fund, distributions of up to 7% of the fund's value are permitted.

While examining school trust funds in other states is useful for assessing the appropriateness of the distribution limitations specified in the Minnesota Constitution, the number of comparable funds is too small to provide a robust picture of alternative distribution policies that could be implemented. Thus, the Task Force relied on the larger data set of school trusts and endowments to inform appropriate distribution policy for the Permanent School Fund.

3. Evaluation of Potential Changes to Distribution of Earnings

After reviewing a range of options for calculating annual distributions to Minnesota school districts, the Task Force concluded that distributing 4.5% of the average market value of the Fund over the previous three years aligns with common practices among educational trust funds and endowments. This distribution policy provides a proven mechanism for smoothing distributions during periods of market volatility, aligning with the Task

⁵ Meketa Id.

Force's guiding principles. This method enables the Fund to maintain itself as a perpetual financial resource while providing consistent and predictable annual distributions, thereby balancing the needs of current and future beneficiaries.

In addition to industry research and best practices, the Task Force evaluated the suitability of a rolling average distribution policy for the Fund. The Task Force worked with SBI staff to determine if 4.5% of the average Fund value over three years, measured annually, was a suitable distribution rate and averaging period for the Fund based on historical data and forward-looking market projections. This analysis was built on prior work by Aon Investments, the general investment consultant to SBI.

Distribution Policy Percentage Rate

Using historical returns, asset allocations, revenues, and forward-looking distribution assumptions, SBI staff developed multiple Fund-specific models. These scenarios assumed a portfolio invested 50% in the S&P 500 and 50% in the US Barclays Aggregate Index, with 10-year return expectations of 6.75% and 4.6%, respectively, consistent with SBI's 2025 asset allocation study. Additional scenarios modeled both higher and lower returns, including highly volatile conditions with multiple years of negative returns and Fund declines exceeding 20%.

The Task Force evaluated Fund growth and projected distributions rates between 3% and 5% to determine an appropriate rolling average distribution rate for the Permanent School Fund. The 3% lower bound reflected the 10-year historical average distribution of 2.5% and the goal of increasing distributions. The 5% upper bound was based on Aon Investments' analysis that the Fund's purchasing power could be maintained at that rate⁶. The Task Force remained guided by the principle of preserving the Fund as a perpetual resource.

The analysis showed that the distribution rate represents a trade-off between current payouts and long-term Fund growth, reinforcing the importance of balancing the needs of current and future beneficiaries. Even under return scenarios significantly below capital market expectations, a 5% distribution rate generally supported consistent distributions and modest Fund growth. Fund declines occurred only when the distribution rate exceeded the combined modeled investment returns and land management revenues.

The Task Force considered, but ultimately rejected, tying distributions to land management revenues. Permanent School Fund revenue generated from land assets, as opposed to financial assets, should not be linked to Minnesota's distribution policy as those revenues are dependent on global commodity markets, and hence unreliable for funding commitments. This approach is inconsistent with industry best practices, which generally avoid linking volatile inflows to distribution rates.

The Task Force also considered implementing a distribution "floor" or curtailment mechanism during extreme market downturns. It concluded that such measures would add complexity and unpredictability without significant long-term benefits and are therefore not considered best practice. Instead, the Task Force determined that the rolling average formula alone provides sufficient automatic adjustment in declining markets.

By evaluating a wide variety of scenarios, the Task Force observed that a 4.5% distribution rate balanced consistent annual distributions with long-term preservation of Fund value. This rate demonstrated a modestly

⁶ Aon Investments, Spending Analysis MN Permanent School Fund, at 13 (Sept. 30, 2024).

greater potential for increased long-term growth than a 5% rate while nearly doubling expected near-term distributions.

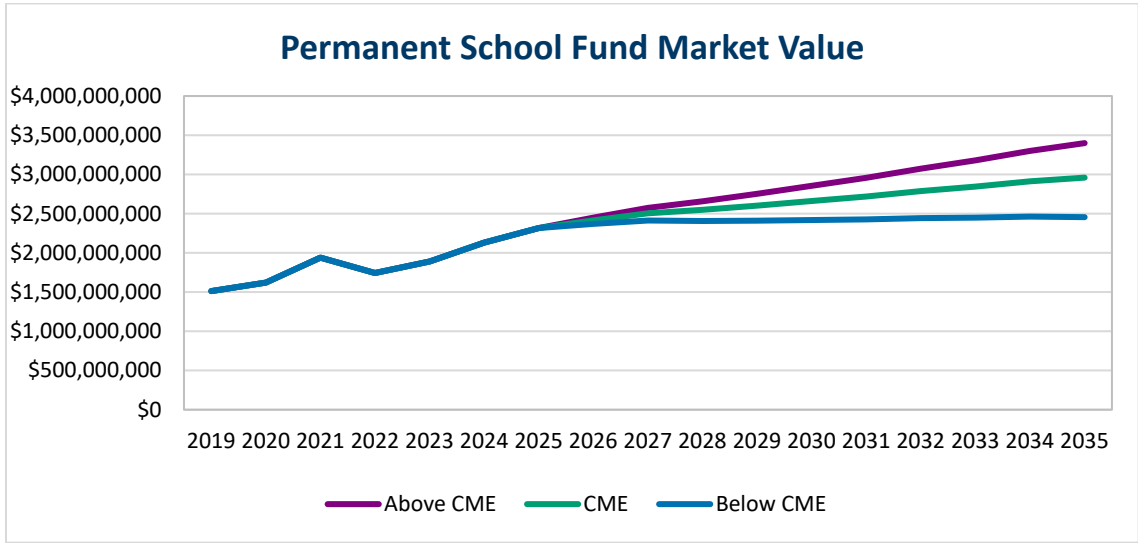
Distribution Policy Averaging Period

To determine the appropriate averaging period, the Task Force tested multiple time horizons and determined that a 3-year rolling average was suitable for the Fund. This period reduces the year-to-year volatility of distributions while remaining responsive enough to adjust during prolonged market downturns. A 5-year period was found to be less responsive and could delay necessary downward adjustments during extended declines.

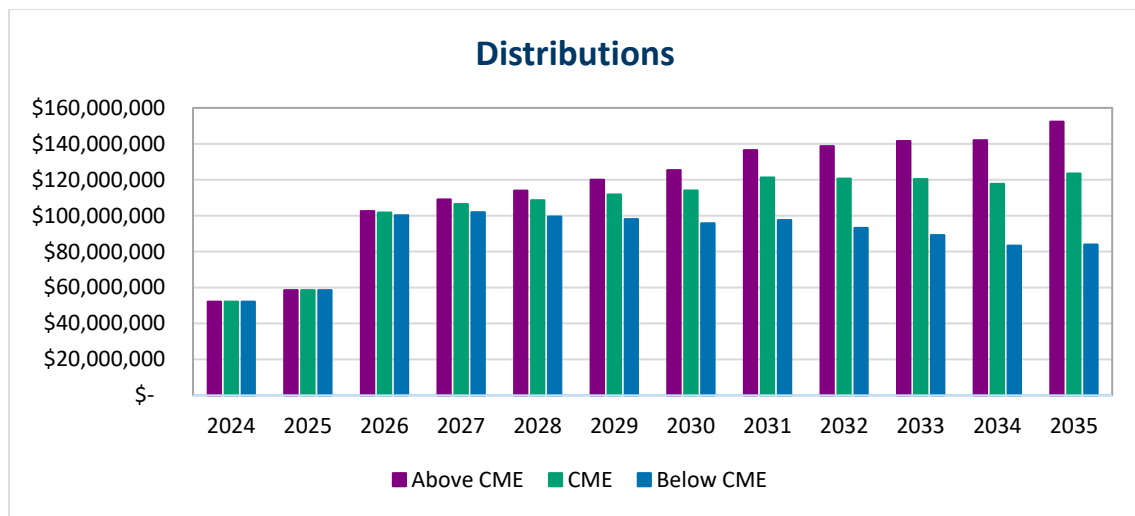
Charts: Permanent School Fund Market Value & Distributions – Hypothetical Scenarios

The accompanying charts illustrate projected Fund growth and distributions assuming a policy that uses a 4.5% distribution rate based on a 3-year rolling average. Several scenarios based on capital market expectations (CME) for returns were analyzed. The “Above CME” scenario assumes annual returns of 7.3%, the “CME” scenario assumes 5.8%, the “Below CME” assumes 3.8%.

Graph 5. Projected Permanent School Fund Market Value

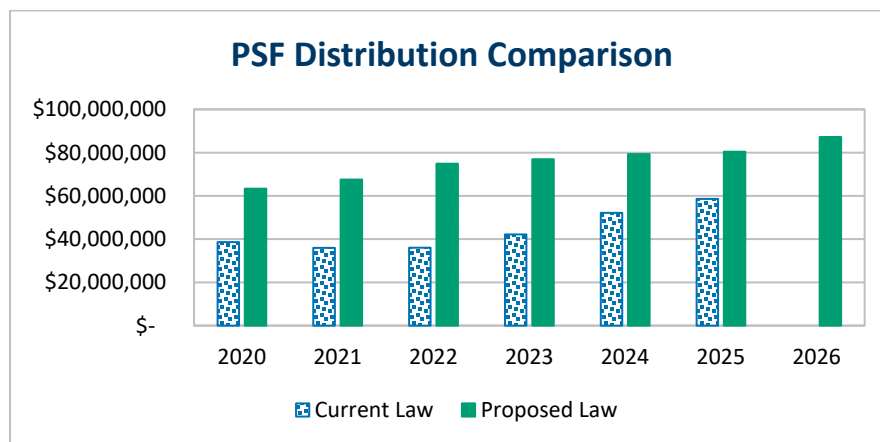


Graph 6. Projected Permanent School Fund Distributions



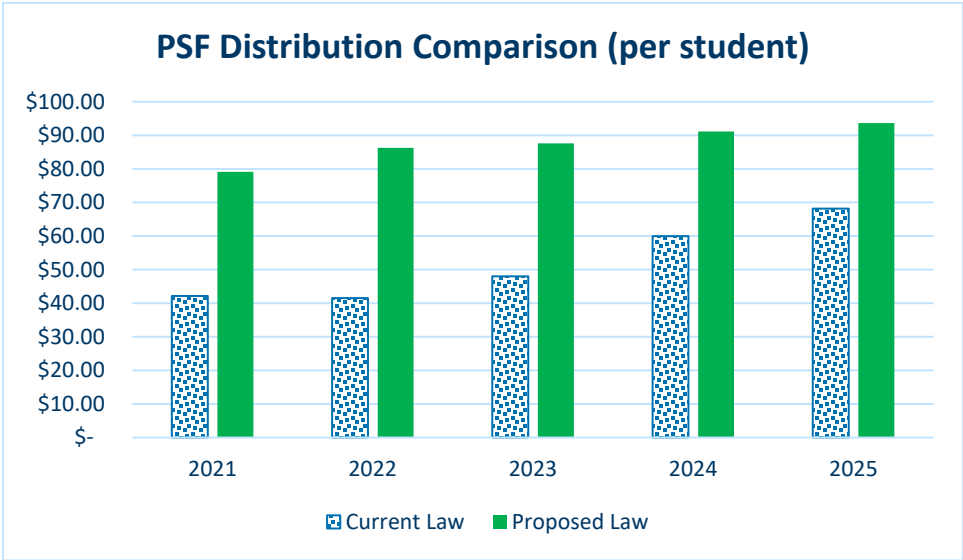
The chart below illustrates how distributions would have adjusted smoothly over the past six years under the proposed distribution policy. The hatched bars represent the interest and dividend earnings from each fiscal year that were distributable to the Fund under current law. The solid bars represent hypothetical amounts that would have been distributable had the proposed law been in effect starting in fiscal year 2020.

Graph 7. Permanent School Fund Distribution Comparison



Note: The distributable earnings for fiscal year 2026 under current law cannot be determined until the fiscal year closes in June 2026. Under the proposed distribution policy, distributable earnings for 2026 would have been known since the end of June 2025 because they are based on 4.5% of the Fund's value as of June 2023, June 2024, and June 2025, providing additional visibility to school districts for upcoming distributions.

Graph 8. Permanent School Fund Distribution Comparison per student



Research & Analysis Conclusion

After evaluating all scenarios, the Task Force concluded that a 4.5% distribution rate calculated using a 3-year rolling average of Fund value best balances consistent annual distributions with long-term preservation of Fund value. The rate of 4.5% demonstrates an increased chance of greater long-term growth than a 5% rate while nearly doubling expected near-term distributions. The recommended approach also aligns with industry best practices and achieves the most effective balance between providing stable distributions and preserving the Fund for future generations.

Recommendation from the Task Force

Based on its research and analysis, the Task Force recommends amending the Minnesota Constitution and statutes to manage the Fund in accordance with the Task Force's guiding principles. The current constitutional language is highly prescriptive and limits the Fund's ability to adapt over time.

The Task Force recommends that the Constitution should state the enduring principles and objectives of the Fund, while the specific operating details of distribution policy, governance, and investment management should be established in statute. The Task Force recommends adopting a 4.5% distribution rate, calculated using a 3-year rolling average of Fund value.

The Task Force recommends that the state adopt the following changes to the Minnesota Constitution and statutes governing the Fund:

Minn. Const. Art. 11, Sec. 8 - Proposed Constitutional Amendment Language in bold italics:

The permanent school fund of the state consists of (a) the proceeds of lands granted by the United States for the use of schools within each township, (b) the proceeds derived from swamp lands granted to the state, (c) all cash and investments credited to the permanent school fund and to the swamp land fund, and (d) all cash and investments credited to the internal improvement land fund and the lands therein. No portion of these lands shall be sold otherwise than at public sale, and in the manner provided by law. All funds arising from the sale or other disposition of the lands, or income accruing in any way before the sale or disposition thereof, shall be credited to the permanent school fund. ***Within limitations prescribed by law, the fund shall be invested and managed as a perpetual financial resource for the sole purpose of supporting the different school districts of the state. Management of the fund shall be designed to provide annual distributions while preserving the purchasing power of the fund over time, and balancing the needs of current and future beneficiaries. The distribution policy shall be specified in statute and consistent with the aforementioned principles. Distributions from the fund shall be apportioned*** Within limitations prescribed by law, the fund shall be invested to secure the maximum return consistent with the maintenance of the perpetuity of the fund. The principal of the permanent school fund shall be perpetual and inviolate forever. This does not prevent the sale of investments at less than the cost to the fund; however, all losses not offset by gains shall be repaid to the fund from the interest and dividends earned thereafter. The net interest and dividends arising from the fund shall be distributed to the different school districts of the state in a manner prescribed by law.

A board of investment consisting of the governor, the state auditor, the secretary of state, and the attorney general is constituted for the purpose of administering and directing the investment of all state funds. The board shall not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

The following bullets link the Task Force's principles to the proposed constitutional amendment language:

- **Maintain the Fund as a perpetual financial resource** – *“Within limitations prescribed by law, the fund shall be invested and managed as a perpetual financial resource for the sole purpose of supporting the different school districts of the state.”*
- **Ensure the Fund consistently makes annual distributions** – *“Management of the fund shall be designed to provide annual distributions”*

- **Balances the needs of current and future beneficiaries** – “while preserving the purchasing power of the fund over time, and balancing the needs of current and future beneficiaries.”
- **Allow for adaptability in investment management** – “The distribution policy shall be specified in statute and consistent with the aforementioned principles. Distributions from the fund shall be apportioned to the different school districts of the state in a manner prescribed by law.”

The proposed statutory language aims to establish a distribution policy that balances the needs of current and future beneficiaries, and to codify existing governance and oversight practices.

The Task Force also recommends the following amendment to Minn. Stat. 11A.16:

Subd. 5. Calculation of Distributable Earnings.

(a) As of the end of each fiscal year, the state board shall calculate the distributable earnings of the permanent school fund. The amount of distributable earnings shall equal 4.5% of the average net asset value of the permanent school fund as of the end of the preceding 3 fiscal years.

(b) After the end of the fiscal year, the Director shall report the total distributable earnings to the Legislative Permanent School Fund Commission established in section 127A.30 and the Commissioner of the Department of Education.

Replacing the following current language:

Subd. 5. Calculation of Distributable Earnings.

As of the end of each fiscal year, the state board shall calculate the investment income earned by the permanent school fund. The investment income earned by the fund shall equal the amount of interest on debt securities, dividends on equity securities, and interest earned on certified monthly earnings prior to the transfer to the Department of Education. Gains and losses arising from the sale of securities shall be apportioned as follows:

(a) If the sale of securities results in a net gain during a fiscal year, the gain shall be apportioned in equal installments over the next ten fiscal years to offset net losses in those years. If any portion of an installment is not needed to recover subsequent losses identified in paragraph (b) it shall be added to the principal of the fund.

(b) If the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered first from the gains in paragraph (a) apportioned to that fiscal year. If these gains are insufficient, any remaining net loss shall be recovered from interest and dividend income in equal installments over the following ten fiscal years.

The proposed distribution rate of 4.5% balances the needs of current and future beneficiaries by increasing near-term distributions while protecting the Fund during projected periods of market volatility. The three-year averaging period smooths year-to-year variability in distributions while appropriately adjusting payments as the value of the Fund rises or declines over time.

Conclusion

Although the Fund has grown significantly due to a combination of investment returns and land management revenues, outdated constitutional and statutory restrictions have limited its ability to balance the needs of current and future beneficiaries. The Task Force’s research demonstrates that adopting a modern, market-value–based distribution model would better align the Fund with best practices used by peer states and educational endowments. By shifting to a 4.5% distribution rate based on a three-year rolling average and modernizing constitutional and statutory language, Minnesota can provide more stable and predictable funding for current beneficiaries while preserving the Fund’s long-term purchasing power for future generations. The nine members of the Permanent School Fund Task Force, after over a year’s worth of research, analysis and careful consideration, unanimously endorse the recommendations contained in this report.

Appendix

Definitions

For purposes of this Report, the following terms shall have the meanings set forth below:

TERM	DEFINITION
Apportionment	The process of determining how distributions from the Fund are allocated, including identification of recipients, determination of amounts, and timing of disbursements.
Benchmark	A tool used to illustrate the Fund’s investment performance compared to a widely recognized portfolio of investments, typically a widely recognized index.
Beneficiaries	The “school districts of the state,” as identified in Article XI, Section 8 of the Minnesota Constitution.
Capital Gains and Losses	The difference between the current value of a security, including common stock or bonds, and its original purchase price. A positive difference constitutes a capital gain, and a negative difference constitutes a capital loss.
Common Stock	A security representing an ownership interest in a corporation, which may entitle the holder to receive dividends.
Constitution	State of Minnesota Constitution, Article 11, Section 8, by which the Fund is established.
Distributions	Money transferred from the Fund to support its stated purpose. The term is generally accepted in the context of permanent endowments and trusts and is used interchangeably in Minnesota law with the term “spending.”
Distribution Policy	A distribution policy is a formal framework that governs how and when funds are paid out to beneficiaries. It defines the method for calculating distribution amounts, the timing and frequency of payments, and any constraints or safeguards designed to balance the needs of current and future beneficiaries.
Dividends	The portion of a corporation’s profits paid to shareholders. In the context of the Fund, dividends may be received from investments in publicly traded equity securities.
Earnings	All profits generated from investments, including capital gains, interest, dividends, and other forms of income such as royalties or rental income.
Endowment	A perpetual investment fund designed to achieve an entity’s current and future spending goals.
Fund	The Permanent School Fund established under Article XI, Section 8 of the Minnesota Constitution.

Interest	The periodic payment made by a borrower to a lender in exchange for the use of loaned funds. In the context of the Fund, interest is received from investments in fixed-income securities, including publicly traded debt issued by corporate or governmental entities.
Investment Management	The process of overseeing, selecting, monitoring, and managing investments of the Fund.
Land Management	The administration and stewardship of Permanent School Lands, including leasing, sales, conservation, and other activities intended to preserve or enhance value.
Objectives of the Permanent School Fund	The constitutional purpose of providing a permanent source of funding for public schools across the State of Minnesota, as established by Article XI, Section 8 of the Minnesota Constitution.
Principal	As defined in the Minnesota Constitution, the Fund's principal increases when securities are sold at a gain and such gains are not offset by losses over the next ten fiscal years. If losses are not fully offset by gains within that period, the unrecovered amount must be restored from interest and dividends.
Purchasing Power	The amount of goods and services that a given amount of money can buy. Inflation reduces purchasing power over time; therefore, preservation of purchasing power requires growth that meets or exceeds the rate of inflation.
Rolling Average	Also known as Moving Average, a statistical method used to create a series of averages from a full data set by taking the average of a set time window of data that moves forward as new data becomes available.
SBI	The Minnesota State Board of Investment, the entity responsible for managing the investments of the Fund.
Task Force	The Permanent School Fund Task Force established by Laws of Minnesota 2024, Chapter 115, Article 10, Section 4.

Appendix

Bibliography

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Appendix

Background on SBI and Research Sources

The following section summarizes the role of the Minnesota SBI and the key research organizations whose data informed the Task Force's analysis.

The Minnesota State Board of Investment was established in 1885 by Article XI of the Minnesota Constitution. It is responsible for investing and managing public funds to help ensure the long-term financial stability of Minnesota's key retirement systems and trust funds. Its primary purpose is to prudently manage these assets to achieve strong, sustainable investment returns while managing risk, so that promised benefits can be paid, and public programs can be supported. The SBI serves Minnesota's public employees and retirees, as well as beneficiaries of state trust funds such as the Permanent School Fund, by safeguarding and growing these resources in the best long-term interests of the people of Minnesota.

Meketa Investment Group has extensive experience advising nonprofit organizations and higher education endowments. Founded in 1982, the firm currently advises 59 endowments, foundations, and nonprofit clients. Meketa maintains a dedicated Endowment & Foundation practice group and regularly publishes research and participates in industry forums, including NACUBO conferences. Over the past five years, Meketa has published 86 whitepapers and conducts periodic client surveys on spending policies, return objectives, asset allocation, and governance.

Aon Investments is a global investment consulting firm and has provided a full suite of investment services since 1974 to institutional investors including public and corporate pension plans, non-profit organizations, defined contribution plans and other financial intermediaries. Aon currently advises approximately 500 institutional clients, representing over \$3.4 trillion in aggregated assets under advisement in the United States. Aon offers a wide range of institutional investment consulting services, including governance, investment policy, asset allocation studies, spending analysis, manager research, and performance reporting. Key to Aon's investment philosophy is setting asset allocation in the context of a fund's obligations and cash flows. Thus, Aon typically conducts 20-30 custom spending analyses on an annual basis, assisting investors with finding the ideal balance between stable spending, support of the organization's mission, and growth of the investment pool over time.

The National Association of College and University Business Officers (NACUBO) is widely regarded as a leading authority on educational endowment policy. For more than 60 years, NACUBO has provided leadership, research, and professional guidance on financial and operational management in higher education. Its membership includes more than 1,700 institutions. NACUBO conducts an annual survey that aggregates data on endowment performance, distribution policies, asset allocation, governance, and operating practices, and its work informs industry standards and public policy.

PERMANENT SCHOOL FUND; DISTRIBUTION OF ENDOWMENT FUND EARNINGS TASK FORCE.

Subdivision 1.

Task force established.

A task force of nine members is established to examine the distribution of earnings from the permanent school fund endowment.

Subd. 2.

Membership qualifications and appointments.

(a) Appointed members of the task force must have outstanding professional experience in at least one of the following areas:

- (1) institutional asset management;
- (2) investment finance;
- (3) trust administration;
- (4) investment fund accounting;
- (5) investment banking; or
- (6) the practice of law in the areas of capital markets, securities funds, trusts, foundations, or endowments.

(b) The task force consists of the following nine members, each of whom must be appointed by September 1, 2024:

- (1) the commissioner of education or the commissioner's designee;
- (2) an employee or other member appointed by the State Board of Investment;
- (3) four members appointed by the governor; and
- (4) three members appointed by vote of the Legislative Permanent School Fund Commission.

(c) The first meeting of the task force must be called by the commissioner of education no later than October 1, 2024. The Department of Education must provide staff, technical assistance, and organizational support for the task force.

Subd. 3.

Duties.

The task force must examine the historical returns on the permanent school fund endowment and evaluate and recommend potential changes to the distribution of earnings. The task force may examine school trust endowment policies in other states. The task force

recommendations may include proposed changes to state statutes and Minnesota's constitutional provisions governing the school trust fund endowment.

Subd. 4.

Report; expiration.

The task force must report its recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over the permanent school fund by January 15, 2026. The task force report must be submitted consistent with Minnesota Statutes, section 3.195. The task force expires on January 15, 2026, or upon submission of the report required under this subdivision, whichever occurs earlier.

Constitution of the State of Minnesota, Article XI, Section 8 – Proposed Language

The permanent school fund of the state consists of (a) the proceeds of lands granted by the United States for the use of schools within each township, (b) the proceeds derived from swamp lands granted to the state, (c) all cash and investments credited to the permanent school fund and to the swamp land fund, and (d) all cash and investments credited to the internal improvement land fund and the lands therein. No portion of these lands shall be sold otherwise than at public sale, and in the manner provided by law. All funds arising from the sale or other disposition of the lands, or income accruing in any way before the sale or disposition thereof, shall be credited to the permanent school fund. Within limitations prescribed by law, the fund shall be invested and managed as a perpetual financial resource for the sole purpose of supporting the different school districts of the state. Management of the fund shall be designed to provide annual distributions while preserving the purchasing power of the fund over time, and balancing the needs of current and future beneficiaries. The distribution policy shall be specified in statute and consistent with the aforementioned principles. Distributions from the fund shall be apportioned to the different school districts of the state in a manner prescribed by law.

A board of investment consisting of the governor, the state auditor, the secretary of state, and the attorney general is constituted for the purpose of administering and directing the investment of all state funds. The board shall not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

11A.16 PERMANENT SCHOOL FUND. – PROPOSED LANGUAGE

Subdivision 1. **Establishment.** Pursuant to article XI, section 8, of the Constitution of the state of Minnesota, there is hereby established a permanent school fund which shall be a continuation of the permanent school fund in existence on January 1, 1980.

Subd. 2. **Assets.** The permanent school fund shall consist of the proceeds derived from the school lands, the swamp lands and the internal improvement lands granted to the state and all cash and investments credited to the permanent school fund, to the swamp land fund and to the internal improvement land fund.

Subd. 3. **Management.** The permanent school fund shall be managed by the commissioner of management and budget.

Subd. 4. **Investment.** The permanent school fund shall be invested by the state board subject to the provisions of section 11A.24.

Subd. 5. Calculation of Distributable Earnings.

(a) As of the end of each fiscal year, the state board shall calculate the distributable earnings of the permanent school fund. The amount of distributable earnings shall equal 4.5% of the average net asset value of the permanent school fund as of the end of the preceding 3 fiscal years.

(b) After the end of the fiscal year, the Director shall report the total distributable earnings to the Legislative Permanent School Fund Commission established in section 127A.30 and the Commissioner of the Department of Education.

Subd. 6. **Disposition of Distributable Earnings.** Notwithstanding provisions of section 11A.12, the distributable earnings of the permanent school fund as calculated pursuant to subdivision 5, shall be credited to the permanent school fund, and transferred to the school endowment fund as needed for payments made pursuant to section 127A.32.

History: 1980 c 607 art 14 s 14; 1984 c 482 s 3; 1992 c 539 s 2; 1999 c 86 art 1 s 3; 2009 c 101 art 2 s 109; 1Sp2011 c 11 art 1 s 1

Constitution of the State of Minnesota, Article XI, Section 8

The permanent school fund of the state consists of (a) the proceeds of lands granted by the United States for the use of schools within each township, (b) the proceeds derived from swamp lands granted to the state, (c) all cash and investments credited to the permanent school fund and to the swamp land fund, and (d) all cash and investments credited to the internal improvement land fund and the lands therein. No portion of these lands shall be sold otherwise than at public sale, and in the manner provided by law. All funds arising from the sale or other disposition of the lands, or income accruing in any way before the sale or disposition thereof, shall be credited to the permanent school fund. **Within limitations prescribed by law, the fund shall be invested and managed as a perpetual financial resource for the sole purpose of supporting the different school districts of the state. Management of the fund shall be designed to provide annual distributions while preserving the purchasing power of the fund over time, and balancing the needs of current and future beneficiaries. The distribution policy shall be specified in statute and consistent with the aforementioned principles. Distributions from the fund shall be apportioned** ~~Within limitations prescribed by law, the fund shall be invested to secure the maximum return consistent with the maintenance of the perpetuity of the fund. The principal of the permanent school fund shall be perpetual and inviolate forever. This does not prevent the sale of investments at less than the cost to the fund; however, all losses not offset by gains shall be repaid to the fund from the interest and dividends earned thereafter. The net interest and dividends arising from the fund shall be distributed~~ to the different school districts of the state in a manner prescribed by law.

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(b) After the end of the fiscal year, the Director shall report the total distributable earnings to the Legislative Permanent School Fund Commission established in section 127A.30 and the Commissioner of the Department of Education.

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~~(a) If the sale of securities results in a net gain during a fiscal year, the gain shall be apportioned in equal installments over the next ten fiscal years to offset net losses in those years. If any portion of an installment is not needed to recover subsequent losses identified in paragraph (b) it shall be added to the principal of the fund.~~

~~(b) If the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered first from the gains in paragraph (a) apportioned to that fiscal year. If these gains are insufficient, any remaining net loss shall be recovered from interest and dividend income in equal installments over the following ten fiscal years.~~

Subd. 6. **Disposition of Distributable Earnings income.** Notwithstanding provisions of section 11A.12, the ~~income~~ distributable earnings of the permanent school fund as calculated

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History: 1980 c 607 art 14 s 14; 1984 c 482 s 3; 1992 c 539 s 2; 1999 c 86 art 1 s 3; 2009 c 101 art 2 s 109; 1Sp2011 c 11 art 1 s 1

Sustaining Missions and Navigating Markets: Frameworks for Endowment and Foundation Spending Policies

WHITEPAPER

APRIL 2025

"Endowment managers pursue the conflicting goals of preserving purchasing power of assets and providing substantial flows of resources to the operating budget."

— Yale Chief Investment Officer David Swensen, in his seminal book *Pioneering Portfolio Management*

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Key takeaways

- Endowments and foundations should develop a customized spending policy aligned with their specific goals and needs.
- Spending policies seek to balance several competing goals, including maintaining intergenerational equity, preserving purchasing power, and providing substantial and reliable yearly income.
- There are various spending policy models for institutions to consider:

Simple Policies: These are more suited for private foundations that prefer straightforward regulations. They can handle significant annual distribution volatility but may not provide consistent spending levels year over year.

Moving Average Models: These models help avoid spending discrepancies relative to asset size and protect the corpus during prolonged downturns. They smooth out spending by averaging the endowment's value over a set period, though they can include moderate distribution volatility.

Inflation-Based Models: These prioritize stable year-over-year distributions and aim to maintain inflation-adjusted value of the endowment. They focus on providing consistent spending power without significant concerns for over- or under-spending.

Hybrid Models: These combine elements of stability and complexity, requiring institutions to manage intricate policy formulations and communications. They often blend features from other models to balance the need for stable distributions with the protection of the endowment's long-term value.

Introduction

The missions and beneficiaries of endowments and foundations can vary widely. Moreover, the amount withdrawn or “spent” each year is typically customized for the goals and needs of each organization. Developing and maintaining a spending policy is widely considered good governance practice. Broadly speaking, endowments and foundations can pursue three paths when planning their spending:

1. Spend down assets (either over a period of time or in one fell swoop, like for individuals or families who have signed the Gates Foundation’s “Giving Pledge”¹),
2. Temporarily suspend distributions in order to grow, or
3. Aim to distribute capital while also maintaining intergenerational equity.

¹ According to the Gates Foundation, as of April 2025, 245 individuals and couples from 30 countries have pledged to give away more than half of their wealth to philanthropy or charitable causes either during their lifetime or in their will.

Our focus in this paper is on endowments and foundations that aim to maintain intergenerational equity. In these cases, the investment asset base, or corpus, is typically meant to last in perpetuity. At the same time, it is expected to generate substantial and reliable yearly income to support the ongoing operations and/or grant making of the institution. Herein lies the challenge, as these are two competing goals.

The subject of this paper is how best to balance these goals through spending policy development. Both objectives are easier to meet when markets and investments generate strong returns. However, during bear or volatile markets, the ability to balance appropriation versus accumulation can be more difficult. In challenging times, the spending policy of the institution will play a large part in its long-term success. Often, institutions rely more on distributions during stressed market environments, because donations may decrease and the need for scholarships and/or grants may increase.

Spending policy must encompass not only the level of spending, but the type of policy as well. Endowment and foundation Boards of Trustees and staff members should carefully weigh the pros and cons of various spending levels and policies in determining the appropriate policy for their institution.

Factors to consider when choosing a spending policy

When choosing a spending policy, an organization needs to balance three primary factors:

1. **Spending adequately today to:**
 - a. support current operations (e.g., university or hospital endowment),
 - b. support grant making efforts (e.g., community foundations), or
 - c. meet applicable IRS regulations (e.g., minimum 5% spending policy for private foundations);

2. **Preserving intergenerational equity**, which means avoiding a meaningful reduction to the real (inflation-adjusted) value of the corpus of the asset pool²; and
3. **Maintaining stability** of spending for budgeting purposes of both the organization distributing the funds and those receiving the funds.

² In practice, the concept means spending neither so much that the amount left for future use is meaningfully diminished, nor so little that current needs are being neglected so as to preserve assets for future use.

Each organization must decide the hierarchy of importance of these factors for their organization, which in turn may inform which type of spending policy is most appropriate.

Common types of spending policies

There are several common types of spending policies, each with their own potential advantages and risks. For our purposes, “spending” refers to distributions from the asset pool, whether they are for operations, grant making, or other financial support of the institution.

1. A **Simple** spending policy could range from spending all current income to choosing a pre-specified percentage of the pool’s beginning market value each year. Simple spending policies tend to be adopted by institutions that are less dependent on their annual payouts and can tolerate some volatility in spending from year to year.

Example – Spending 5% of year-end market value.

2. A **Moving Average** policy uses a pre-specified percentage of the average of the pool’s historical market values over a period longer than the past year (e.g., the past three years). This policy will lower the volatility of spending from year to year. However, if the market value goes down, the amount of spending will go down with it, which could end up impairing the institutions’ ability to make grants or support operations.

Example – Spending 5% of the three-year moving average of year-end market value.

3. An **Inflation-based** policy increases spending each year by the rate of inflation (typically measured by the Consumer Price Index (“CPI”) or a price index specific to the institution’s purpose such as higher education or healthcare prices). This policy yields more stable distribution amounts. However, if the pool’s total market value decreases due to market movements, the dollar amount of spending will not automatically decline, and the spending rate is likely to increase. In turn, spending a higher proportion from an asset pool that has experienced negative performance may impair the portfolio’s ability to recover from losses, which could compromise the intergenerational equity of the institution.

For this type of spending policy, many institutions impose upper and lower bands (i.e., “caps”) so that the spending policy has some kind of connection to the portfolio’s market value.

Example – Adjust the prior year’s spending amount by CPI with a 3% lower band and 7% upper band of the pool’s market value for the total spending amount.

4. A **Hybrid** policy combines inflation-based and moving average spending policies. This method provides the stability of inflation-based cash flows, while accounting for the fact that market values have an influence on the institution’s ability to spend. Different weights can be used for each component, and upper and lower bands can also be put in place to help protect the corpus.

Example – 50% of the spending rate is based on a percentage of the 3-year moving average of pool market value, and 50% is based on the prior year spend, plus the rate of inflation.

Spending policy examples

In this section, we compare the impact of six different illustrative spending policies. For the charts that follow, we calculate the amount of annual spending, and volatility of that spending, across three different time periods: a lower volatility period from 1991-2000, a higher volatility period from 2000-2009, and a period of relative stability followed by a global pandemic (COVID-19) and inflation. We assumed a starting market value of \$1 billion for the asset pool, an initial \$50 million in spending in year 1 across all spending policies, and the actual inflation for that period as measured by CPI.³

³ “In this analysis, a portfolio consists of 60 percent MSCI ACWI and 40 percent Bloomberg Aggregate Bond Index. No contributions occur in this analysis. Note that a portfolio that includes private markets would result in a smoother return stream, potentially leading to less spending volatility than is shown in this analysis.

Spending Policy Type	Assumptions
Simple	Spend 5% of prior year’s ending market value.
Moving Average	Spend 5% of prior three years’ average ending market value.
Inflation Based	Year 1 spending equals 5% of prior year’s market value. Future years’ spending increases by rate of inflation.
Inflation Based with Caps	Year 1 spending equals 5% of prior year’s market value. Future years’ spending increases by rate of inflation. Amount of spending cannot fall below 3% or exceed 7% of the prior year’s ending market value.
Hybrid: 50/50	50% of spending based on “Moving Average,” 50% based on “Inflation Based with Caps.”
Hybrid: 30/70	30% of spending based on “Moving Average,” 70% based on “Inflation Based with Caps.” ⁴

FIGURE 1
Spending Policy Examples

Source: Meketa Investment Group, 2025.

⁴ The hybrid policy, particularly with the 30/70 parameters, is highlighted in Swensen’s “Pioneering Portfolio Management” and is often referred to as the “Yale rule.”

Change in annual spending

The most straightforward spending policy an institution can adopt is a “Simple” policy, whereby an institution takes the prior year’s ending market value and distributes a predefined percentage within the next year. The primary downside to this policy is the wide swings in annual dollar spending that can result from volatile investment returns, as illustrated in Figures 2, 3, and 4, which show the change in annual spending from year to year. This type of spending policy is most appropriate for private foundations that are required by law to spend 5% of their corpus. It may also be appropriate for institutions that prefer simplicity and that can tolerate volatility in annual distributions. A “Moving Average” policy helps to smooth out spending volatility but can still be bumpy depending on the volatility of financial markets, and the corpus is less protected.

If year-over-year dollar stability of distributions is the primary concern for an organization, then an inflation-based strategy might be most appropriate. In Figures 2, 3, and 4, regardless of the market scenario, the “Inflation Based” spending policy results in the most predictable and stable distribution pattern. Note, the “Inflation Based” and “Inflation Based with Caps” results in the same distribution pattern for the 1991-2000 time period since the relative stability of the market value of the corpus means the distribution amount stayed within the 3%-7% band. The hybrid policies, combining the moving average and inflation-based spending rules, have volatility levels in between their two components.

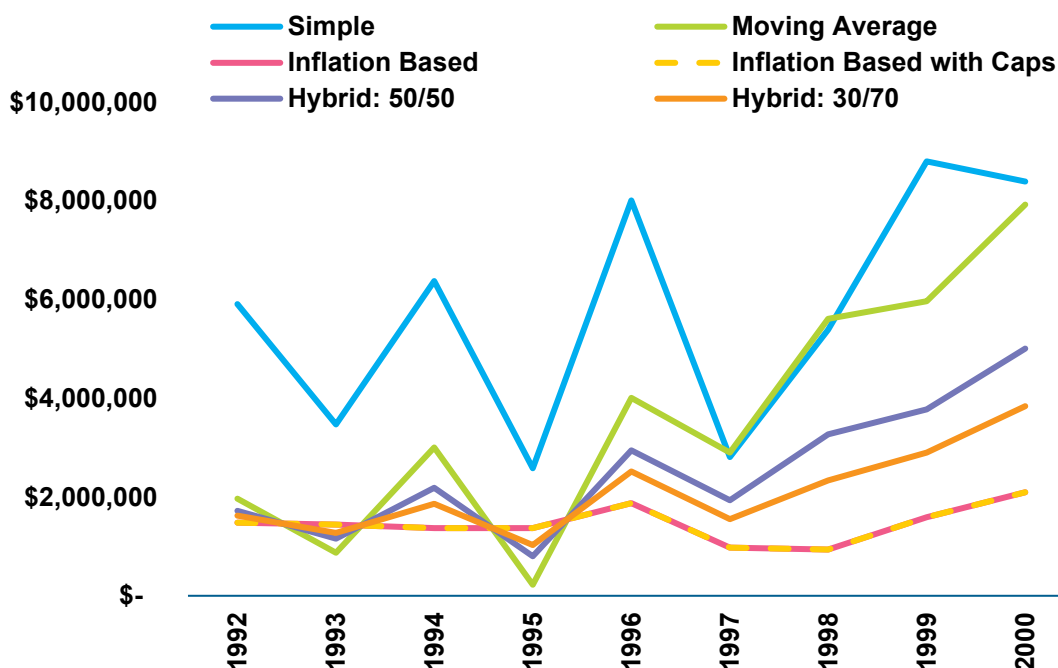


FIGURE 2
Change in Annual
Spending (Lower Volatility
Time Period)

Source: Meketa Investment Group,
2025.

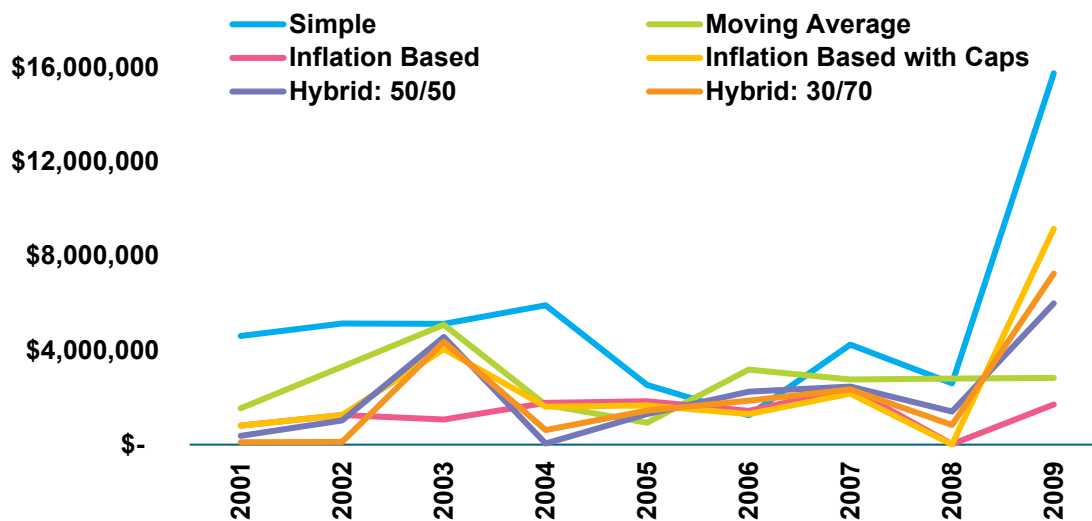


FIGURE 3
Change in Annual Spending (Higher Volatility Time Period)

Source: Meketa Investment Group, 2025.

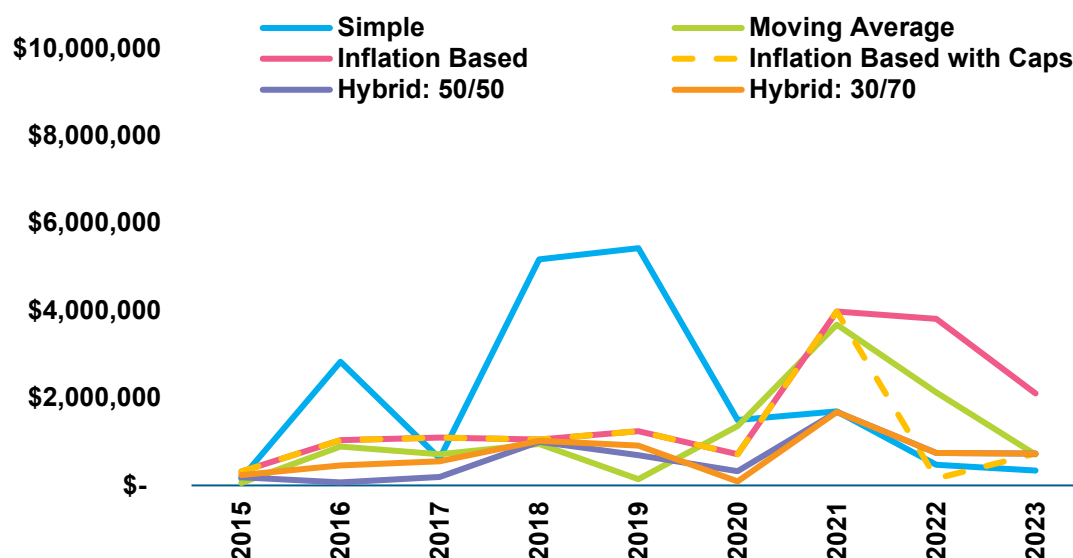


FIGURE 4
Change in Annual Spending (Global Pandemic and Inflation Time Period)

Source: Meketa Investment Group, 2025.

Annual spending

Figures 5, 6, and 7 show the annual spending amount each year. In the lower volatility scenario (which coincided with a strong market), the Simple policy resulted in the most spending in each year, as well as the most cumulative spending. However, during the higher volatility scenario of 2000-2009 (which included two major downturns), either the Simple policy or Moving Average policy produced the least spent in any year. For the Simple policy, the cumulative effect was a dramatic decline of \$15 million (or 30%) from the initial spending amount both in year 4 and year 10. During the Global Pandemic and Inflation scenario, the Simple policy led to the most volatile changes in annual spending, while both inflation-based measures and the moving average changed with inflation. However, the inflation-based measures increased spending with inflation, while the moving average decreased spending.

The “Inflation Based” policy would result in the least spending during the lower volatility period. However, it would have resulted in the most spending during the higher volatility and Global Pandemic and Inflation scenario. The Inflation Based with Caps policy would have spent the same as the Inflation Based approach in the lower volatility period, but it would have spent less during the higher volatility and inflation period, though still more than the other policies. The hybrid approaches fall somewhere in the middle, generally demonstrating the greatest stability in annual spending across the scenarios.

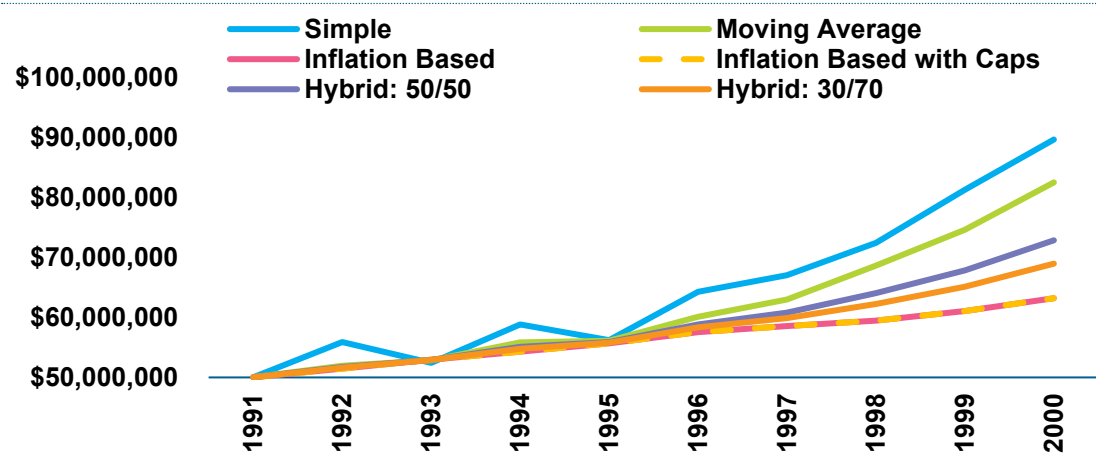


FIGURE 5
Annual Spending (Lower
Volatility Time Period)

Source: Meketa Investment Group,
2025.

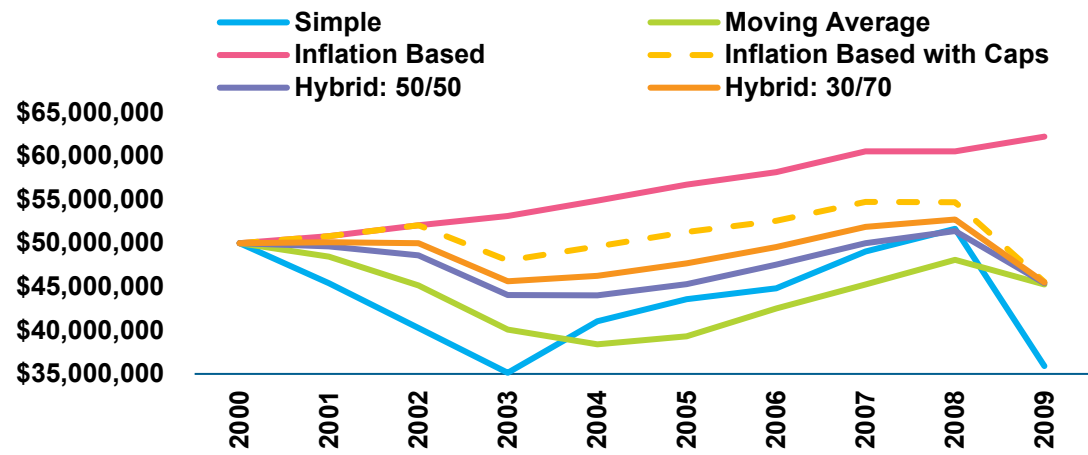


FIGURE 6
Annual Spending (Higher
Volatility Time Period)

Source: Meketa Investment Group,
2025.

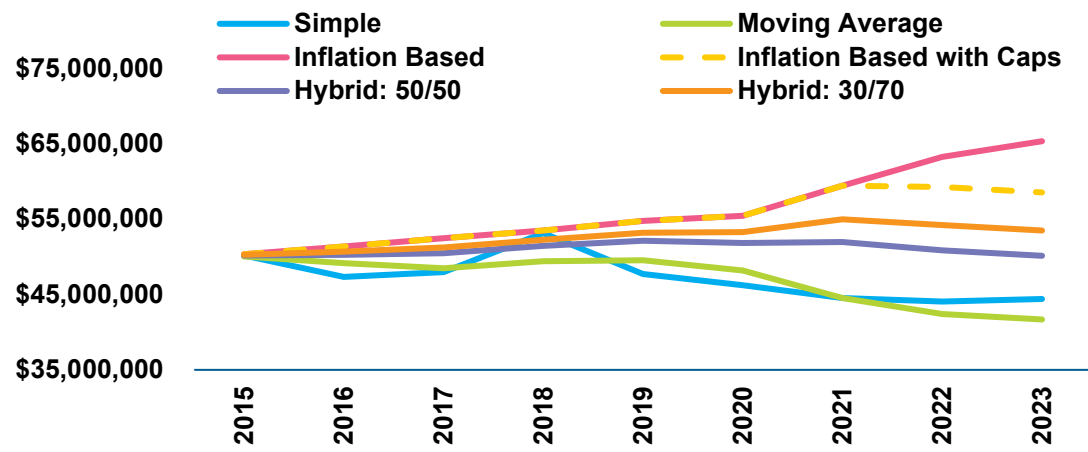


FIGURE 7
Annual Spending (Global
Pandemic and Inflation
Time Period)

Source: Meketa Investment Group,
2025.

Annual spending as percentage of prior year market value

Figures 8, 9, and 10 examine annual spending as a percentage of the prior year's market value. An Inflation Based policy could result in "underspending" during positive market environments such as during the lower volatility scenario (see Figure 8) and "overspending" during times of market distress or inflation (see Figures 9 and 10). "Underspending" can happen when a spending policy leads to distributions that are a very small percentage of the institution's asset base and are not enough to fulfill the institution's mandate – or at least create the perception that the institution is not spending enough. "Overspending" can happen when a spending policy leads to distributions that are a large percentage of the institution's asset base, and may cause permanent damage to the corpus. Again, the hybrid approaches fall between the Simple policy and the Inflation Based approaches.

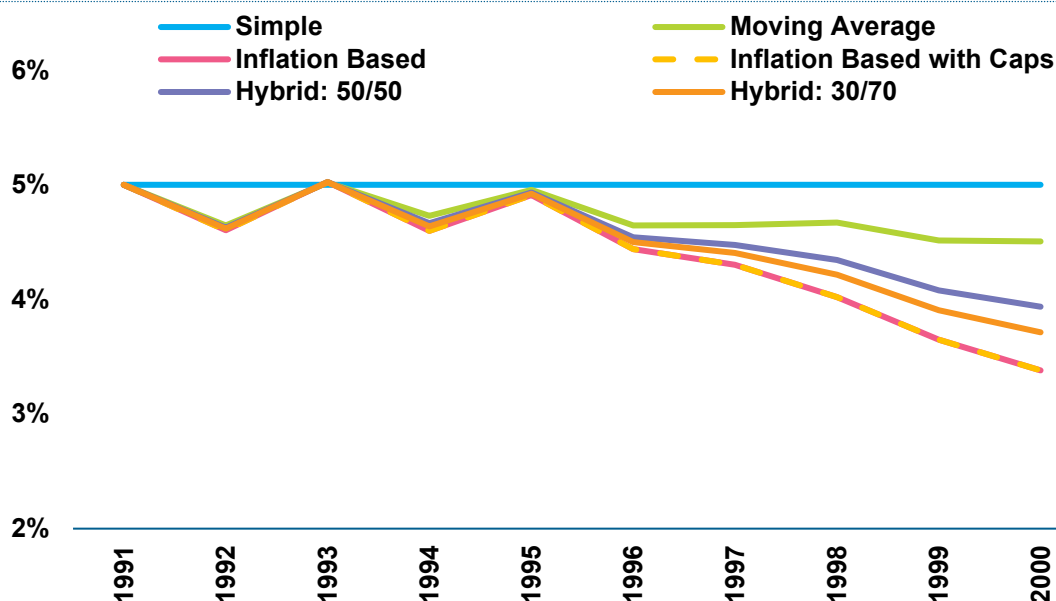


FIGURE 8
Annual Spending as % of Prior Year Market Value (Lower Volatility Time Period)

Source: Meketa Investment Group, 2025.

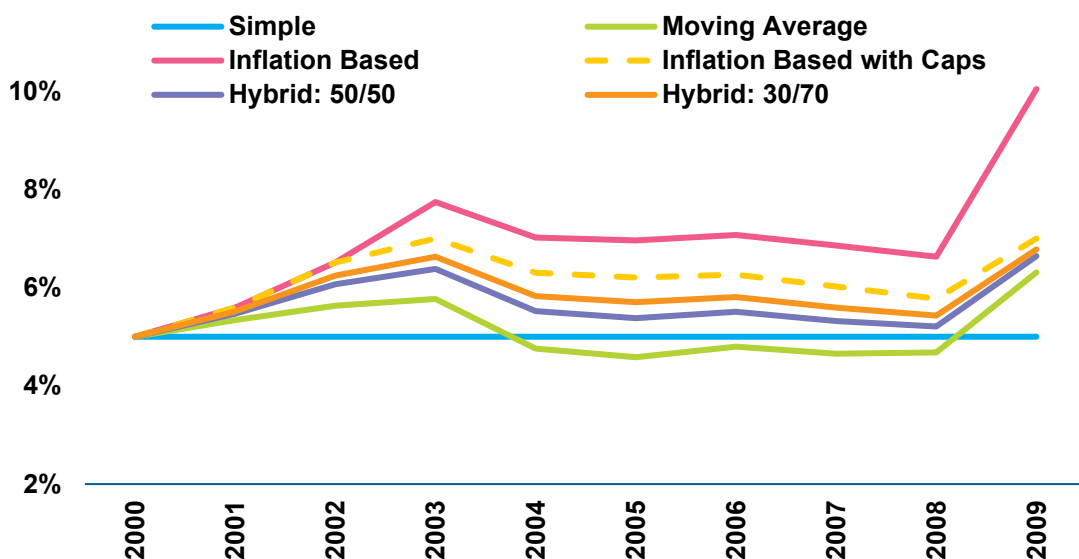


FIGURE 9
Annual Spending as % of Prior Year Market Value (Higher Volatility Time Period)

Source: Meketa Investment Group, 2025.

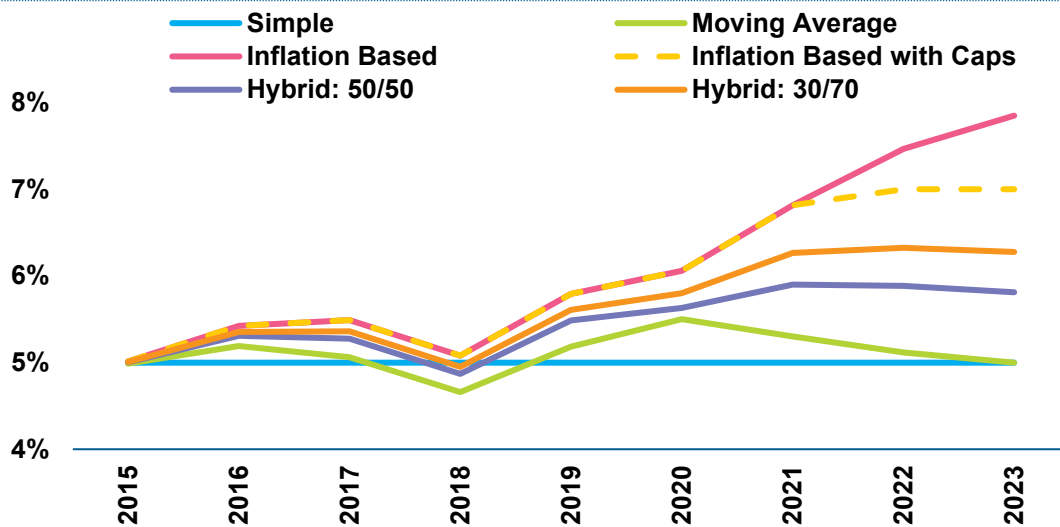


FIGURE 10
Annual Spending as % of
Prior Year Market Value
(Global Pandemic and
Inflation Time Period)

Source: Meketa Investment Group,
2025.

Results of the analysis

The Simple policy exhibited the highest cumulative spending and lowest ending market value during strong market environments (1991-2000), but the lowest cumulative spending and highest ending market value during weaker market environments (2000-2009). During the Inflation period, the Simple policy has the highest ending market value and the second lowest cumulative spending. It was the most volatile spend amount in dollar terms across all environments, but the most stable spend amount as % of market value.

The Inflation Based policy exhibited the lowest cumulative spending and highest ending market value during strong market environments (1991-2000), but the highest cumulative spending and lowest ending market value during weaker market environments (2000-2009). It led to the highest cumulative spending and average spending as a % of market value during the Global Pandemic and Inflation period. It was the least volatile spend amount in dollar terms in low and high volatility environments, but the least stable spend amount as % of market value.

The Moving Average and Hybrid Models tend to represent a middle ground. In terms of volatility of spend amount in dollar terms, they exhibited less volatility than a Simple policy but were more volatile than an Inflation Based policy during the stronger (1991-2000) and weaker market environments (2000-2009). The biggest differences were during the inflationary scenarios, where the hybrid approach hewed to the middle of the road while the moving average resulted in the lowest spend amount. In terms of volatility of spend amount as % of market value, they were less volatile than an Inflation Based policy, but more volatile than a Simple policy across all environments.

Choosing a policy

Due to the limitations of “Simple” and “Inflation Based” spending policies, we think it is prudent for most institutions to adopt a “Moving Average,” “Inflation Based with Caps,” or “Hybrid” spending policy. Each policy has pros and cons, and institutions should weigh which is most appropriate for them based on their situation.

Inflation based with caps

- **Pros:** typically will lead to more stability year-over-year in terms of dollars distributed than a policy based on moving averages.
- **Cons:** distributions will be less stable as a percent of market value of the assets, which may lead to “under” or “over” spending.

Moving average

- **Pros:** will lead to more stable distributions as a percent of the market value of the asset pool than an Inflation Based with Caps policy. This is less likely to lead to “under” or “over” spending.
- **Cons:** typically will lead to more volatility in year-over-year dollar spending than an “Inflation Based with Caps” or Hybrid policy.⁵ It can also result in a much lower annual spending amount during a prolonged downturn, though this lower annual spending could be considered a positive, as it protects the corpus better.

Hybrid

- **Pros:** In most cases, a Hybrid approach will provide a blend of stability in terms of both dollars distributed and distributions as a percent of market value. It can represent a balance between the smoothness of spending and preservation of corpus.
- **Cons:** More complex to calculate. Potentially more difficult for donors and recipients to understand.

⁵ One practice often used in insurance and by some individual participants in defined contribution plans, but little used by endowments and foundations, is a “reserving policy,” whereby in periods when market returns exceed the amount needed for current spending, the excess portion may be reserved for distribution in later periods of weaker performance. This can help an institution to weather a severe market event.

Investment-related factors to consider in selecting a policy

One investment-related factor for endowment managers to consider in deciding the level and type of spending policy is the expected total return on assets. Total return includes the return from income and dividends, and market appreciation. The Uniform Prudent Management of Institutional Funds Act (“UPMIFA”), which is discussed in more detail below and has been adopted by nearly all 50 states, mandates that spending policy rely on total return, rather than income only.⁶ A related factor to consider is the level of inflation. Can the expected nominal return cover both the spending rate and inflation, to maintain the purchasing power of the distributions?

⁶ Source: https://en.wikipedia.org/wiki/Uniform_Prudent_Management_of_Institutional_Funds_Act.

Many financial institutions assume a near-term inflation rate in the neighborhood of 2% to 3% per year, although the inflation rate can fluctuate markedly from year to year. Therefore, if the expected investment return is 6% per year, and inflation is expected to be 2.5% per year, a spending rate above 3.5% per year would be expected to reduce the real value of the corpus, which over time would lower “real” spending. If investment-related expenses like investment staff salaries are also drawn from the corpus, those expenses must be considered when setting the return goal or expected long-term rate of return for the portfolio. The areas often supported by endowments and foundations (like education and healthcare) have seen costs rise much faster than core inflation over the past 20+ years.⁷

⁷ Federal Reserve Economic Data: Consumer Price Index for All Urban Consumers: All Items Less Food and Energy City Average, Consumer Price Index for All Urban Consumers: Medical Care in US City Average, and Consumer Price Index for All Urban Consumers: Education in US City Average

The level of expected donations to the endowment or foundation is another important consideration. If donations or other inflows are expected to arrive at a consistent or growing level, the organization typically has more flexibility in setting spending than it would if the asset level is fixed. However, many organizations choose to compartmentalize new donations apart from spending, so that donations often enlarge the value of the corpus and offer the potential to increase the scope of activities.

Legal and regulatory considerations

5% spending rule for private foundations

Endowment and foundation managers (including Trustees and Staff) must also consider the legal requirements for their organizations when determining spending rates and policies. Endowments are typically free to set any policy, while foundations ordinarily must spend 5% of investment assets annually, depending on foundation type. The Internal Revenue Service (“IRS”) section 823 of Public Law 97-34 required private foundations to distribute at least 5% per year to remain tax exempt. Failure to make timely distributions at the required level would result in a foundation incurring excise taxes and additional penalty taxes if the failure is deemed willful or flagrant. In general, qualifying distributions include any qualifying expenditure or grant and certain set-asides of income for charitable, educational, or religious purposes.

UPMIFA

For endowments and public foundations, the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) allows the organization the freedom to choose a spending policy without specific limits. UPMIFA was approved by the National Conference of Commissioners on Uniform State Laws in July 2006, and it has now been adopted by most states. Many states have added an optional provision to UPMIFA that limits annual spending to not more than 7% of the average fair market value of the endowment (averaged over the last 3 years or more) unless the Board can show that the spending meets UPMIFA’s standards of prudence.

Financial accounting standards board

The Financial Accounting Standards Board (“FASB”) also regulates how endowment funds are reported and spent. Under FASB, a donor-restricted endowment fund results from a gift with the stipulation that the funds be invested either for a long, pre-specified period, or for perpetuity. Endowment funds with donor restrictions are referred to as donor-restricted endowment funds, while those without donor restrictions are referred to as board-designated endowment funds. Regardless of the overall spending policy an endowment or foundation adopts, it may not be applicable to all endowment funds, given the FASB regulations.

Donor-advised funds

The increased prevalence of donor-advised funds at foundations causes additional complexity when setting spending rates and policy. Donor-advised funds typically come with additional specific restrictions. To participate in a donor-advised fund, a donating individual or organization opens an account in the fund and deposits cash, securities, or other financial instruments. They surrender ownership of assets in the fund but may retain advisory privileges over how their account is invested, as well as controlling when and how it distributes those funds to charities.

Legal requirements imposed by the IRS, UPMIFA, and FASB, as well as the increasing prevalence of donor-advised funds, increases the administrative demands on endowments and foundations when determining spending policy. For example, some institutions may choose to limit spending from “underwater endowments” more strictly than perpetual pooled and non-restricted endowments.⁸ Developing different spending policies for different pools of capital increases operational complexity for organizations but may result in increased donor confidence.

⁸ Underwater endowments refers to endowments that have suffered investment-related losses such that their current market value is below the originally donated amount.

Market trends

University endowments

The fiscal year *average* spending rate for all endowments has ranged from 4.3% to 4.6% over the past ten years (see Figure 11). Private institutions tend to spend at higher rates than public institutions. Investment returns do not entirely explain the difference between private and public institutions’ spending.⁹

⁹ Source: 2024 NACUBO-Commonfund Study of Endowments Average Annual Effective Spending Rates for US College and University Endowments and Affiliated Foundations.

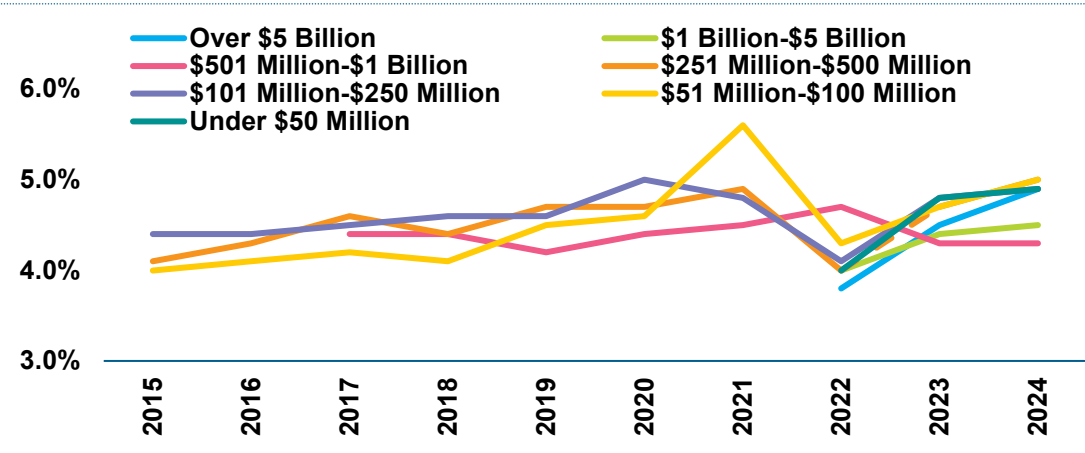
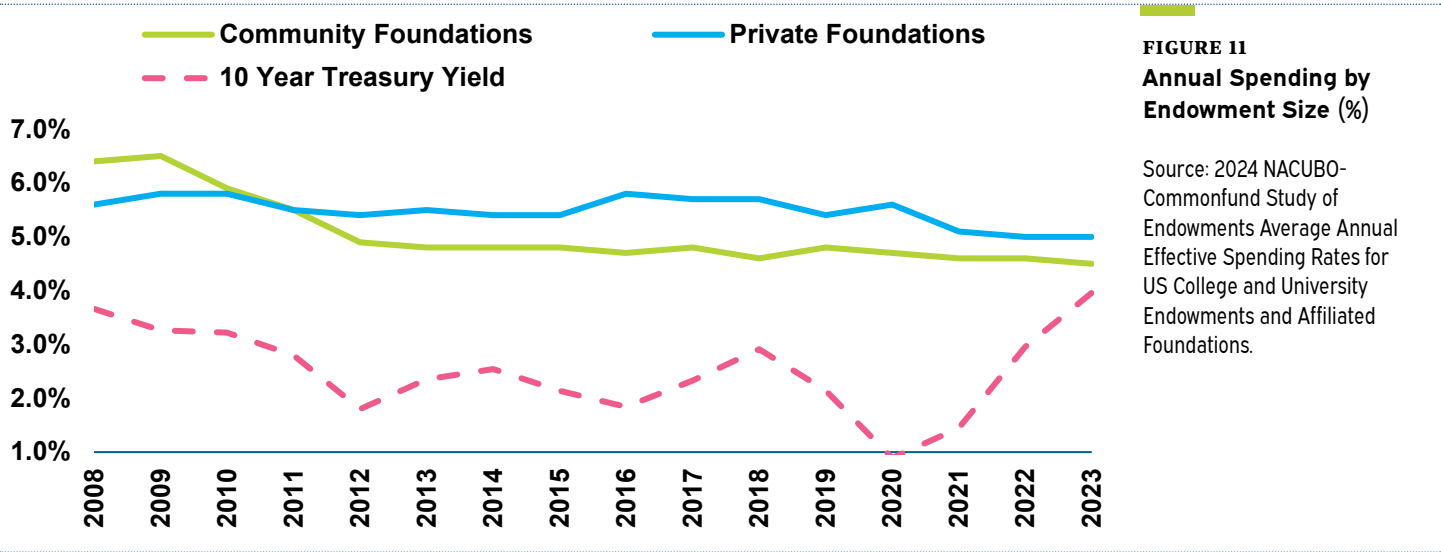


FIGURE 11
Annual Spending by Endowment Size (%)

Source: 2024 NACUBO-Commonfund Study of Endowments Average Annual Effective Spending Rates for US College and University Endowments and Affiliated Foundations.

Private and community foundations

The data shows that median spending rates for community foundations have significantly decreased from pre-GFC levels (see Figure 12). We think it is likely that community foundations lowered spending as a result of lower future expected rates of return, as well as the desire to maintain intergenerational equity. It is not surprising that the median spending rate for private foundations has remained above 5%, given the statutory requirement for private foundations to spend at least 5% per year or face an excise tax. The fact that community foundations and as well as endowments of all sizes and institution types lowered their spending was perhaps heavily influenced by the low, interest rate environment that lasted from 2009 to 2022.



Conclusion

Endowments and Foundations must consider the trade-off between the return-seeking goals of maintaining or growing assets in perpetuity with the solvency and liquidity goals of adequately supporting the beneficiaries of the institution in the present day. Because each endowment or foundation is unique in its ability to weather spending volatility and its long term goals, there is no one-size-fits-all spending policy.

We believe it is important for endowments and foundations to carefully consider their spending rates and policies. While each institution must assess its particular needs, the table below contains what our analysis indicates are the most appropriate spending policies for each type of institution.

Type of Spending Policy	Most Appropriate For:
Simple	→ Private foundations, which are required by law to spend 5% of their corpus. → Institutions that prefer simplicity and can tolerate significant volatility in annual distributions.
Moving Average	→ Institutions that 1) prefer to avoid “under” or “over” spending relative to size of their asset base, 2) want a policy that will best protect the corpus in prolonged downturns, 3) can tolerate moderate volatility in annual distributions.
Inflation Based	→ Institutions that 1) value year-over-year stability of distributions, 2) would like distributions to maintain a “real” (inflation adjusted) value, 3) are not concerned with “overspending” or “underspending.”
Inflation Based with Caps	→ Institutions that 1) value year-over-year stability of distributions, 2) but would like the distributions to reflect the size of the asset base, 3) are not concerned with modest levels of over/underspending.
Hybrid	→ Institutions 1) that prefer the stability offered by a blended approach, 2) can handle the formulation, monitoring, and communication of a more complex spending policy.

FIGURE 13
Types of Spending Policies

Source: Meketa Investment Group, 2025.

Appendix

Endowments

Size of Endowment	2009 (%)	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)
Over \$5B	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.8	4.5	4.9
\$1B to \$5B	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.0	4.4	4.5
Over \$1B	4.6	5.6	5.2	4.7	4.8	4.6	4.3	4.4	4.8	4.6	N/A	N/A	N/A	N/A	N/A	N/A
\$501M to \$1B	4.9	5.7	5.2	4.7	4.6	N/A	N/A	N/A	4.4	4.4	4.2	4.4	4.5	4.7	4.3	4.3
\$251M to \$500M	N/A	N/A	N/A	N/A	N/A	4.3	4.1	4.3	4.6	4.4	4.7	4.7	4.9	4.0	4.7	5.0
\$101M to \$250M	4.4	4.9	5.0	4.3	4.4	4.4	4.4	4.4	4.5	4.6	4.6	5.0	4.8	4.1	4.8	4.9
\$51M to \$100M	4.7	4.6	4.5	4.3	4.4	4.2	4.0	4.1	4.2	4.1	4.5	4.6	5.6	4.3	4.7	5.0
Under \$50M	4.3	4.1	4.0	3.8	4.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.0	4.8	4.9

FIGURE 14
Fiscal Year Spending by Endowment Size

Source: 2018 and 2023 NACUBO-TIAA Study of Endowments.

Type of Institution	2009 (%)	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)
All Public Institutions	4.2	4.1	4.5	4.0	4.1	4.1	4.0	4.0	4.1	3.8	4.2	4.1	4.2	3.8	4.1	4.2
Public College, Univ. or System	3.7	4.3	4.3	3.9	4.2	3.8	3.8	4.0	4.1	3.8	4.2	4.1	4.3	3.9	4.1	4.2
Institution-Related Foundations	4.3	3.9	4.1	4.0	4.0	4.3	4.2	3.9	4.1	3.8	4.2	4.1	4.2	3.8	4.2	4.2
Combined Endowment/Foundation	4.5	4.6	5.9	4.2	4.4	4.2	3.9	4.1	4.2	3.9	4.1	4.0	4.1	3.6	3.8	4.2
All Private Colleges and Univ.	4.5	4.8	4.6	4.3	4.6	4.5	4.3	4.4	4.6	4.7	4.7	4.9	5.2	4.2	5.0	5.2
Average (All Institutions)	4.4	4.5	4.6	4.2	4.4	4.4	4.2	4.3	4.4	4.4	4.5	4.6	4.8	4.0	4.6	4.8

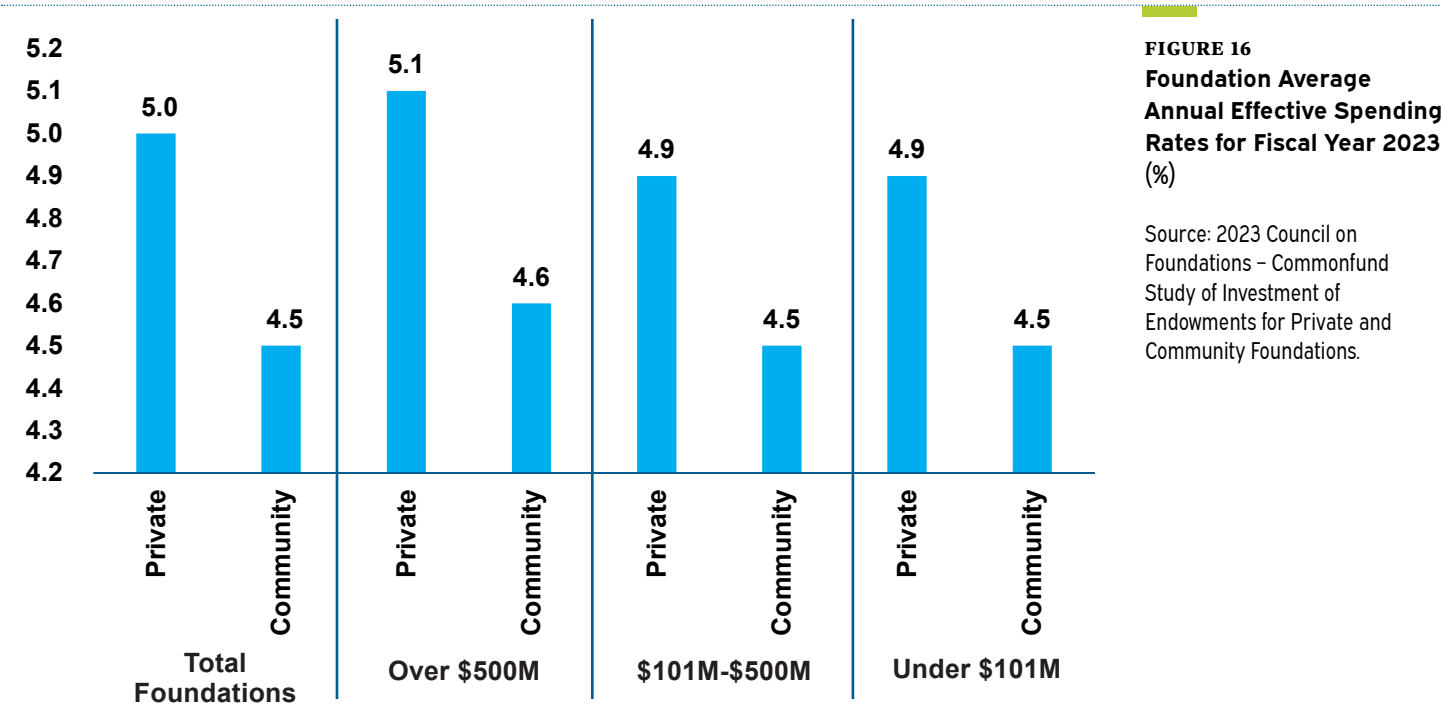
FIGURE 15
Fiscal Year Spending by Endowment Type

Source: 2018 and 2023 NACUBO-TIAA Study of Endowments.

Private and community foundations

The 2023 Council on Foundations – Commonfund Study of Investment of Endowments for Private and Community Foundations (“CCSF”) report, which was released in September 2024, examines community foundation spending rates. The 2023 CCSF study included 291 foundations, including 182 private foundations and 109 community foundations, representing \$126 billion in assets.

During fiscal year 2023 (July 1, 2022 - June 30, 2023), the effective spending rate for study participants averaged 5.0% for private foundations and 4.5% for community foundations, down from the previous year’s 4.6%. The highest spending rate (5.1%) was found among private foundations with assets over \$500 million. The lowest rated (4.5%) was reported by community foundations below \$500 million.



1991-2000	Cumulative Spending (\$M)	Ending Market Value (\$M)	Average Change in Annual Spending (\$M)	Range of Change in Annual Spending (\$M)	Average Spend as % of MV (%)	Range of Spend as % of MV (%)
Simple	679	1,817	6.0	1.9-9.3	5.0	5.0-5.0
Moving Average	643	1,860	4.2	1.1-8.4	4.7	4.5-4.9
Inflation Based	564	1,928	1.5	0.9-2.0	4.1	3.1-4.9
Inflation Based with Caps	564	1,928	1.5	0.9-2.0	4.1	3.1-4.9
Hybrid: 50/50	603	1,894	2.8	1.2-5.2	4.4	3.8-4.9
Hybrid: 30/70	588	1,907	2.3	1.3-4.0	4.3	3.5-4.9

1991-2000	Cumulative Spending (\$M)	Ending Market Value (\$M)	Average Change in Annual Spending (\$M)	Range of Change in Annual Spending (\$M)	Average Spend as % of MV (%)	Range of Spend as % of MV (%)
Simple	432	860	5.1	1.1-15.5	5.0	5.0-5.0
Moving Average	438	857	2.6	0.8-5.2	5.2	6.3-4.6
Inflation Based	558	737	1.3	0.1-2.4	7.3	5.6-10.4
Inflation Based with Caps	506	776	2.6	0.0-10.2	6.3	5.6-7.0
Hybrid: 50/50	472	817	2.2	0.1-6.6	5.7	5.3-6.7
Hybrid: 30/70	485	800	2.2	0.1-8.0	6.0	5.5-6.8

1991-2000	Cumulative Spending (\$M)	Ending Market Value (\$M)	Average Change in Annual Spending (\$M)	Range of Change in Annual Spending (\$M)	Average Spend as % of MV (%)	Range of Spend as % of MV (%)
Simple	475	909	2.0	0.2-5.4	5.0	5.0-5.0
Moving Average	473	853	1.2	0.1-3.7	5.1	4.7-5.5
Inflation Based	556	852	1.7	0.3-4.0	6.0	5.0-7.9
Inflation Based with Caps	545	856	1.1	0.2-4.0	5.9	5.0-7.0
Hybrid: 50/50	509	883	0.6	0.1-1.7	5.4	4.9-5.9
Hybrid: 30/70	524	872	0.7	0.1-1.7	5.6	5.0-6.3

FIGURE 15
Fiscal Year Spending by
Endowment Type

Source: 2018 and 2023 NACUBO-TIAA Study of Endowments.

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State of Minnesota Permanent School Fund

Spending Analysis_DRAFT

November 2024

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Table of Contents

Section 1

Affirming Objectives and Key Considerations

Section 3

Asset Allocation Decision

Section 5

Appendix

Section 2

Spending Policy Decision

Section 4

Stochastic Projections

1

Affirming Objectives and Key Considerations



Affirming Objectives and Key Considerations/Assumptions

Purpose of Study	
Review the School Fund’s current policy asset allocation in conjunction with cash inflows from land management and spending to ascertain the impacts on purchasing power, over the next 10 years	
Current Situation	Potential Considerations
AUM: \$2.240 billion as of 9/30/2024 Goal: The mission is to support school funding. The goal is to have funds available into perpetuity and to maintain purchasing power over time Cash Inflows: Revenues from land management is expected to generate approximately \$30 million annually Spending: State constitution limits spending on school funding to earnings from dividends and interest. Asset Allocation: 50% US Large Cap equity, 48% Core fixed income, 2% cash Return expectation: The current portfolio is expected to generate a nominal return of 6.1% (3.8% real)	▪ Adopt an endowment model that stipulates an annual spending rate. The spending rate can be aligned to the expected real rate of return earned by the Fund. This ensures the preservation of purchasing power while allowing for more school funding. ▪ We expect purchasing power to be maintained for annual spending rate up to 5% (calculated on 3-year average market value, assuming land management revenues of at least \$30 million annually).

2

Spending Policy Decision



Spending Methodologies

Impacts on Spending Volatility and Asset Growth

	Inflation-Based	Banded Inflation	Hybrid	Market-Value Based
Calculation	Base year spend x (1+CPI)	Base year spend x (1+CPI) with floor and ceiling based on prior year's market value	% weight of inflation based + % weight of market-value based policies	Percentage of prior years market values
Spending Volatility	Low	Low/Moderate	Low/Moderate	High
Depletion Risk	High	Low/Moderate	Moderate/High	Low
Considerations	Appropriate for those who require predictable spending and not concerned with preserving purchasing power	Appropriate for those who desire stable spending while limiting spending in market downturns and some degree of additional spending when markets are strong	Appropriate for organizations that generate significant revenue from sources that increase with inflation and draw heavily from their endowments. Most common for higher education. Spending volatility depends on the weight given to each component.	Appropriate for private foundations that require 5% spending and those that desire to preserve purchasing power. Calculating spending based on 3 or 5-year average market value will help lower spending volatility

3

Asset Allocation Selection



Current Target Allocation

Based on Aon’s 10-Year Capital Market Assumptions as of 9/30/2024

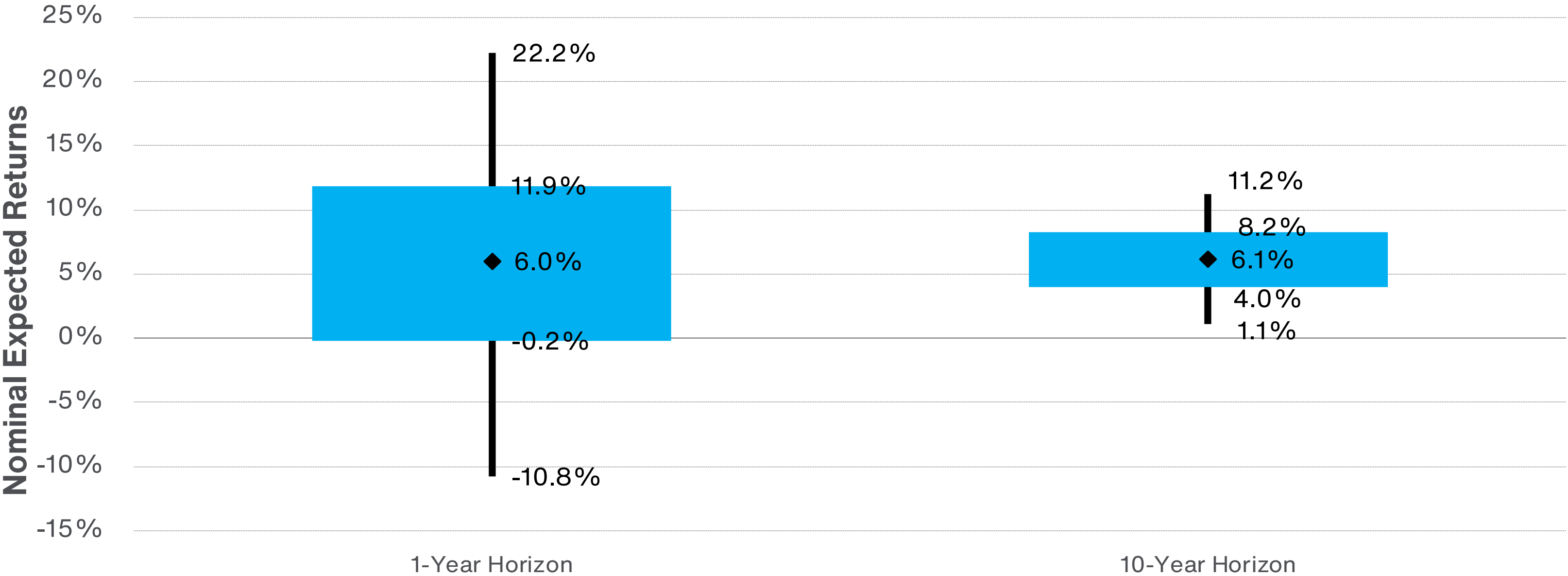
	Current Policy
U.S. Large Cap Equity	50%
Total Equity	50%
Core Fixed Income	48%
Cash	2%
Risk-Reducing Assets	50%
Expected Nominal Return 10-Yr	6.05%
Expected Real Return 10-Yr	3.77%
Expected Volatility	9.64%
Sharpe Ratio	0.24

Key Takeaways

- The expected 10-year nominal return is 6.1% discounted for 2.2% expected inflation is 3.8% real return.
- This implies the fund can distribute 3.8% spend rate and expect to maintain purchasing power, over the next 10 years, assuming no cash inflows
- Cash inflows from land management will increase the potential spend rate above 3.8% and still allow for preservation of purchasing power.

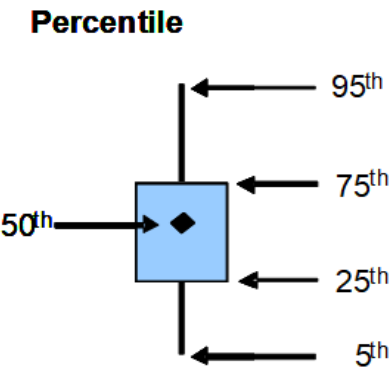
Distribution of Nominal Returns

Based on Aon's 9/30/2024 Capital Market Assumptions



Key Takeaways

- Over a 10-year time horizon, the portfolio is expected to earn 6.1% annualized return. In the pessimistic scenario (5th percentile) the portfolio may only return 1.1% annualized.
- Over any given year, the portfolio has a 5% probability of declining more than 10.8%



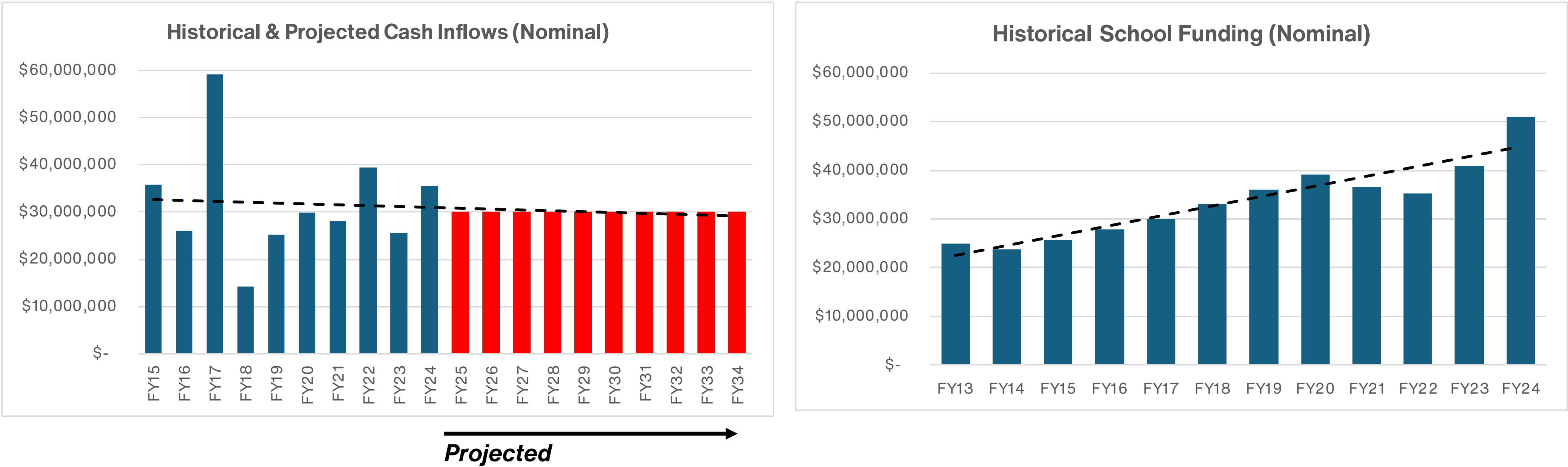
4

Stochastic Projections



Historical Cash Inflows & School Funding

Modeling Inputs



- Modeling Inputs
- For baseline scenario, we assumed projected cash inflows from land management will be \$30 million annually, for the next 10 years. The assumption is in line with historical trend lines.
 - For school funding, we will assume an endowment model where funding will be based on a spending rate. We will examine the impacts of various annual spend rates (2%, 3%, 4% & 5%), calculated on a rolling 3-year average market value.
 - Starting market value of the Fund as of 9/30/2024 is \$2,239.9 million.

Spending Model Assumptions

Monte Carlo Simulations Integrating Spending Policy and Investment Returns

Goals

- Stochastic analysis that integrates projected fund inflows, spending policy and investment returns to gain a better understanding of the likelihood of meeting the Foundation's goals
- Projects 5,000 annual simulations of spending and asset values, over the next 10 years
- The output consists of percentile values for asset values and spending for 95th (most optimistic), 75th, median (expected), 25th and 5th (most pessimistic) in both nominal and real terms
- Determine the probability of preserving purchasing power

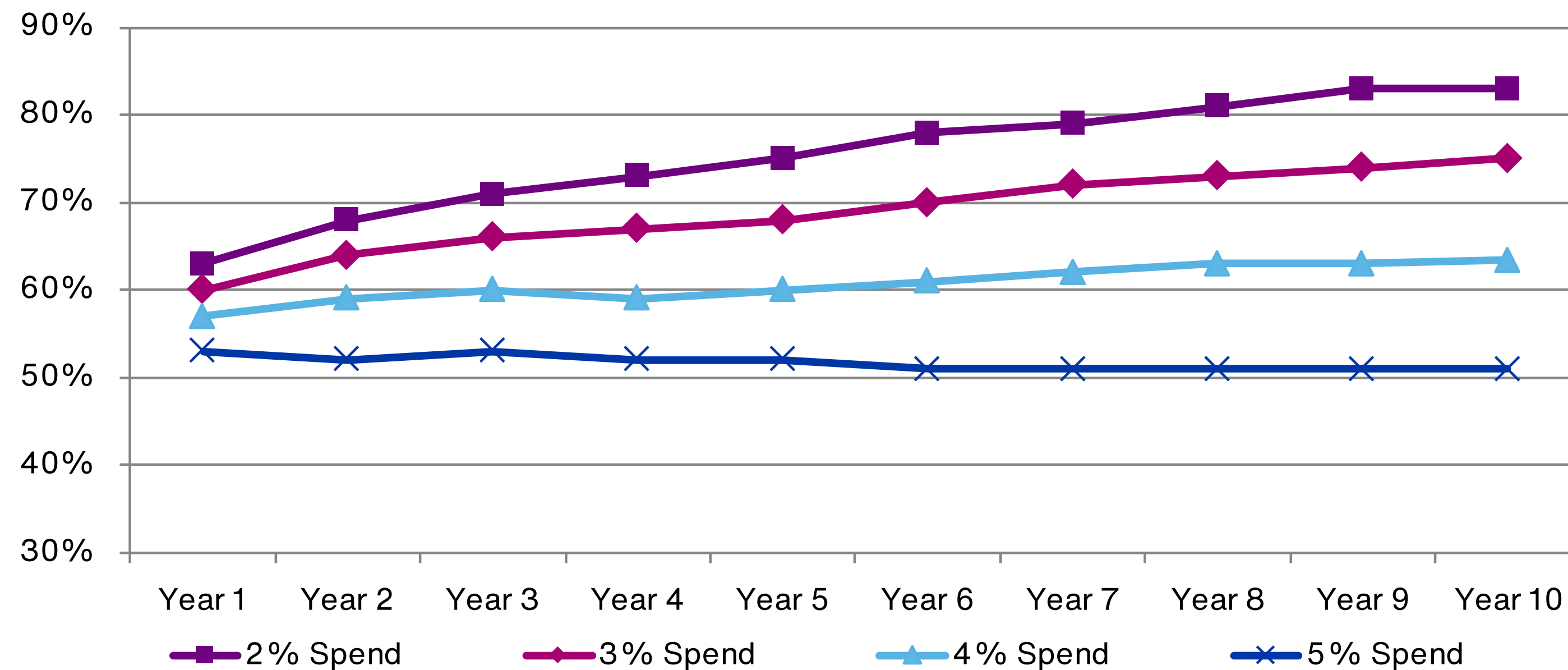
Inputs

- Beginning asset value of \$2,239.9 million as of 9/30/2024
- \$30 million annual cash inflows from land management
- Test various annual spend rates using 3-year smoothing
 - 2.0%
 - 3.0%
 - 4.0%
 - 5.0%
- 2.2% expected inflation
- Model current policy

Probability of Preserving Purchasing Power¹

Assuming Various Spend Rates Based on 3-Year Average Market Value

Probability of Preserving Purchasing Power



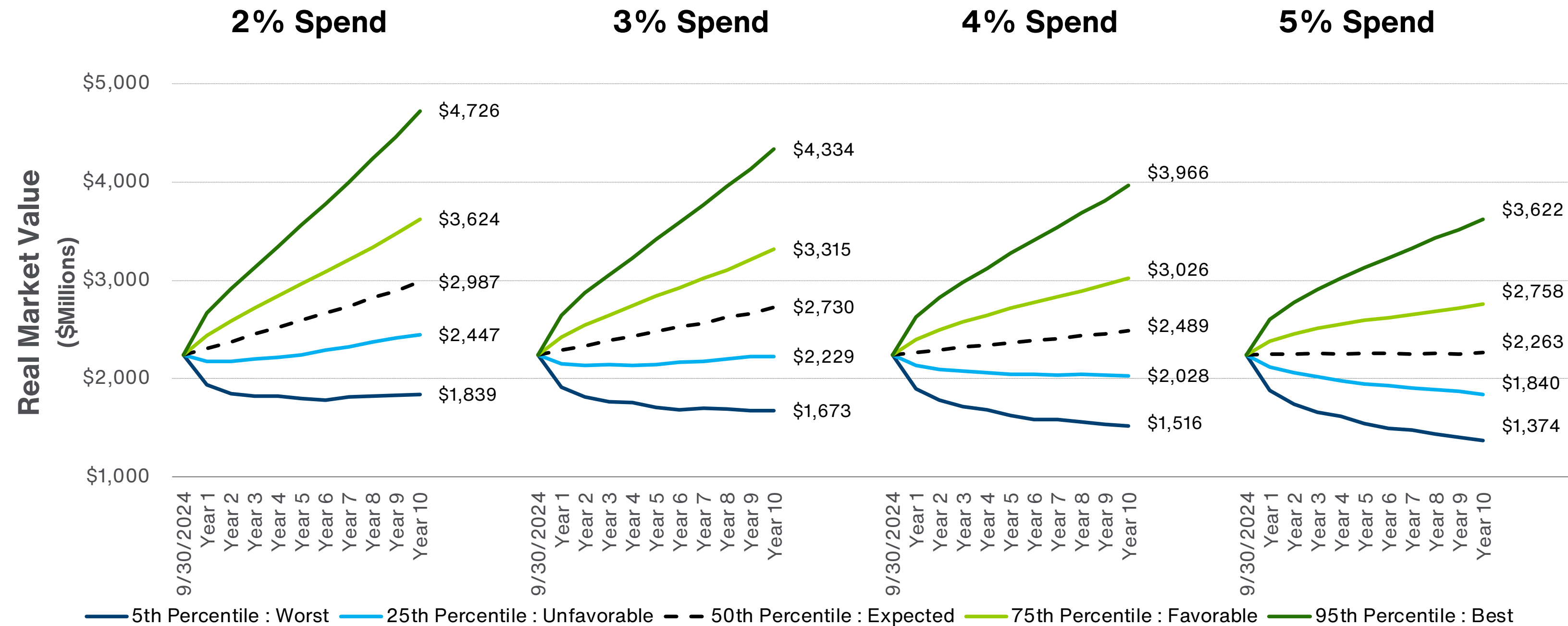
1) Includes \$30 million annual inflow from land management revenues. Inflation will average 2.2%, over the next 10 years.

Key Takeaways

- The goal is to meet or exceed a 50% probability of preserving purchasing power
- All spending rates allow for a greater than 50% probability of maintaining purchasing power, over the next 10 years

Real Asset Growth (Today's Dollars)¹

Assuming Various Spend Rates Based on 3-Year Average Market Value



Key Takeaways

- All spend rate scenarios are expected to grow purchasing power from \$2,240 million to \$2,263 million for 5% spend to \$2,987 million for 2% spend rate, over the next 10 years
- In the worst case (5th percentile), real market values may fall from \$2,240 million to \$1,374 million for 5% spend to \$1,839 million for 2% spend rate, over the next 10 years.

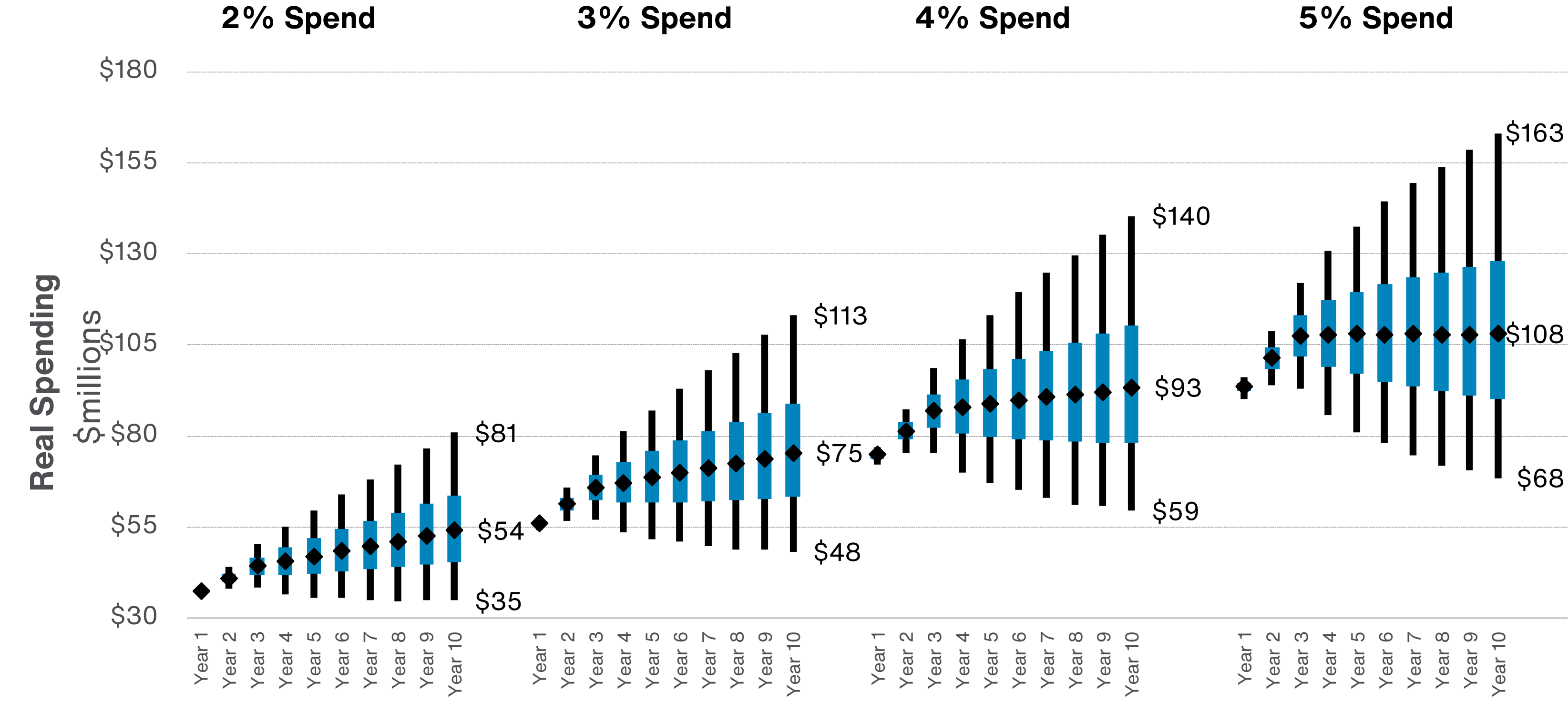
1) Starting market value \$2,239.9 as of 9/30/2024. Includes \$30 million annual inflow from land management revenues. Inflation will average 2.2%, over the next 10 years.

Real Spending (Today's Dollars)¹

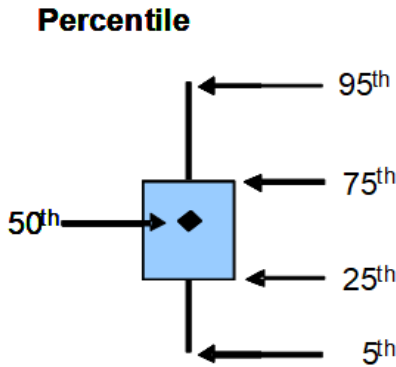
Assuming Various Spend Rates Based on 3-Year Average Market Value

Key Takeaways

- All spending scenarios are expected to grow purchasing power. As a result, annual school funding is expected to grow from \$37 million to \$54 million for 2% spend and up to \$108 million for 5% spend, over the next 10 years.
- After 10 years, annual spending may range from \$35 million (5th percentile with 2% spend) to \$163 million (95th percentile with 5% spend).



1) Starting market value \$2,239.9 as of 9/30/2024. Includes \$30 million annual inflow from land management revenues. Inflation will average 2.2%, over the next 10 years.



Probability of Preserving Purchasing Power

For Various Spending Rates and Cash Inflows – End of 10 Years

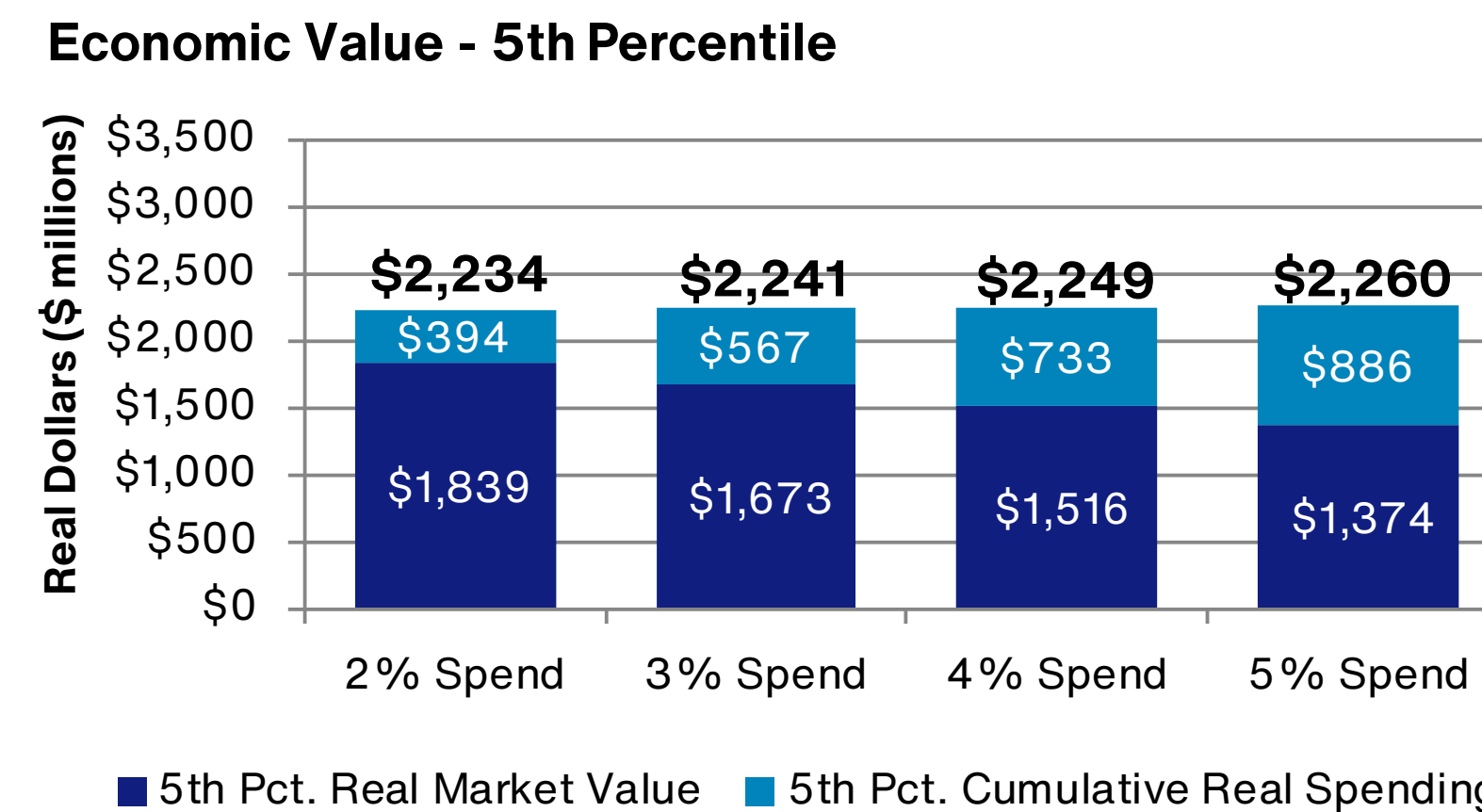
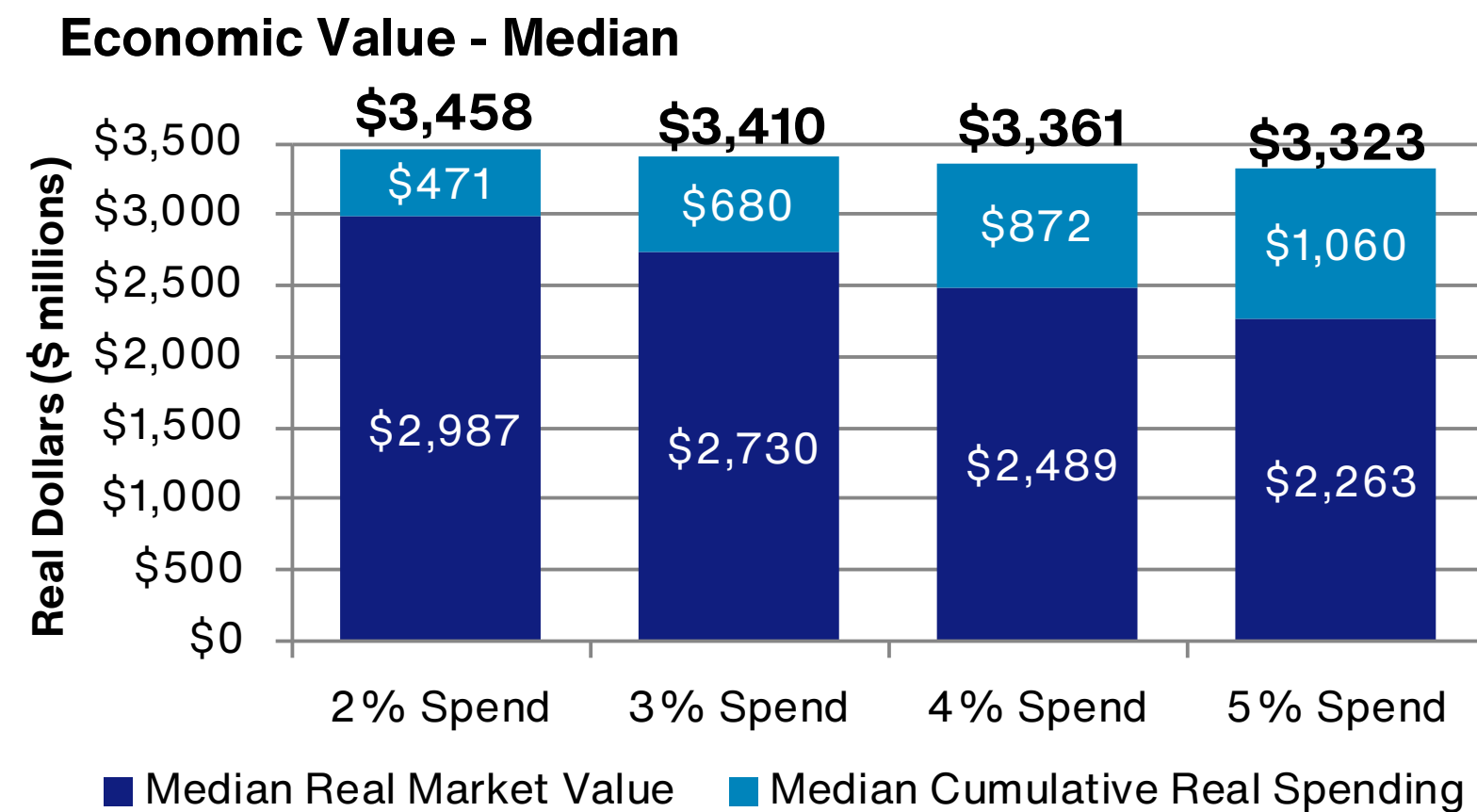
	2% Spend	3% Spend	4% Spend	5% Spend
\$20 Million Annual Inflow	80%	70%	59%	46%
\$30 Million Annual Inflow (Base Case)	83%	75%	63%	51%
\$40 Million Annual Inflow	86%	78%	68%	57%
\$50 Million Annual Inflow	89%	82%	73%	62%

Key Takeaways

- The goal is to meet or exceed 50% probability of maintaining purchasing power
- If annual inflows from land management are greater than \$20 million, annual spend rate of 5% will allow for purchasing power to be maintained

Economic Value – End of 10 Years¹

Cumulative Real Spending Plus Real Asset Values – Over The Next 10 Years



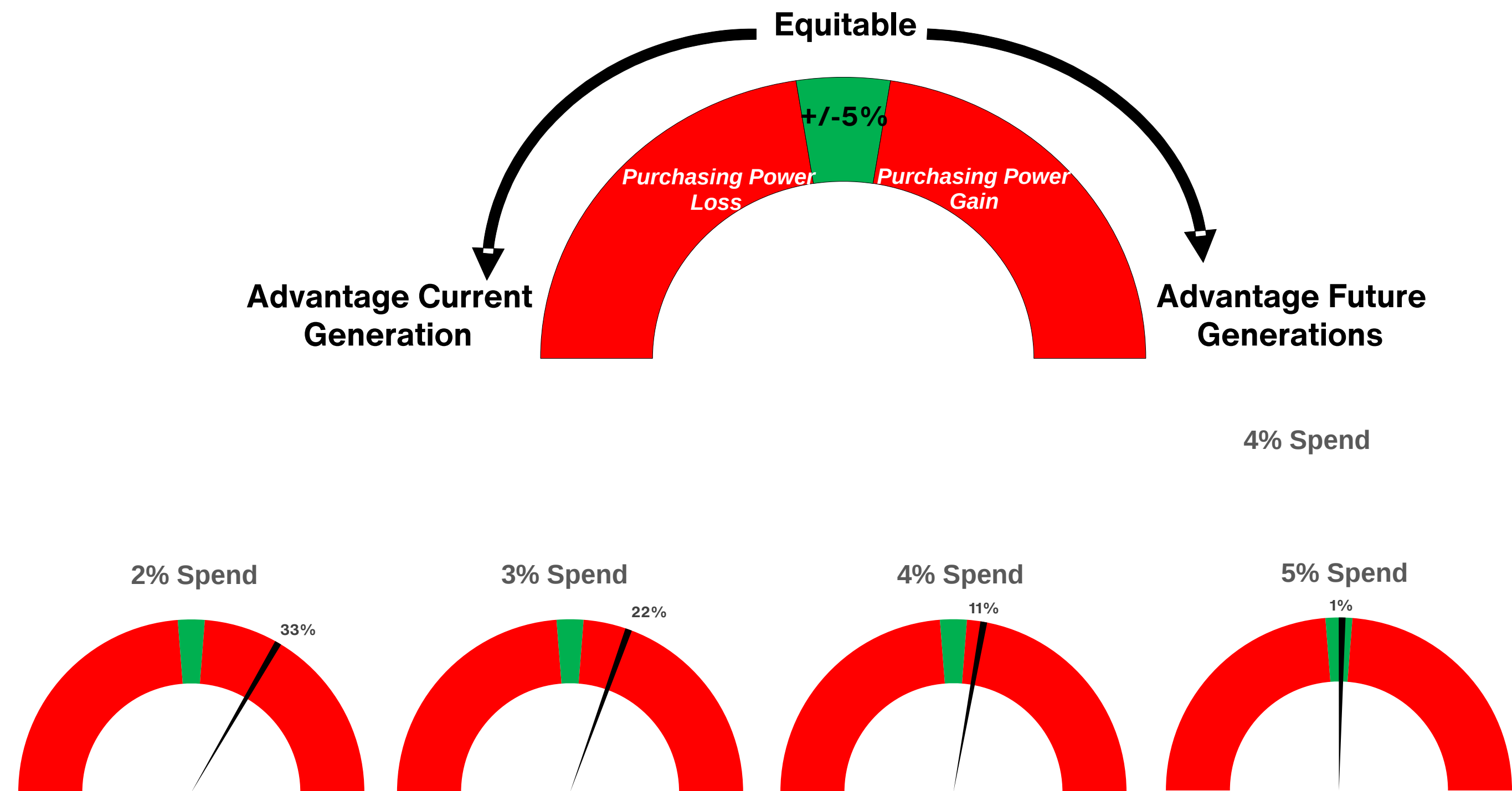
1) Starting market value \$2,239.9 as of 9/30/2024. Includes \$30 million annual inflow from land management revenues. Inflation will average 2.2%, over the next 10 years.

Key Takeaways

- Most organizations want to maximize economic value (combination of real spending and ending corpus value).
- The 5% spend scenario, in the median scenario, has the lowest overall economic value, however there is a better balance between spending and corpus value.
- In the worst case (5th percentile), 5% spend has the highest economic value. This is due to investment losses being reduced in poor markets by higher spending levels.

Intergenerational Equity – End of 10 Years¹

Balancing Current Spending and Future Growth



1) Starting market value \$2,239.9 as of 9/30/2024. Includes \$30 million annual inflow from land management revenues. Inflation will average 2.2%, over the next 10 years.

5

Appendix



Expected Returns and Risks

09/30/2024 Assumptions (10-Year)

	10-yr	10-yr	10-yr
	Expected Real Return ¹	Expected Nominal Return ¹	Expected Volatility ¹
Equity			
Large Cap U.S. Equity	4.6%	6.9%	18.5%
Small Cap U.S. Equity	4.8%	7.1%	24.5%
Global Equity (Developed & Emerging)	4.8%	7.1%	18.4%
International (Non-U.S.) Equity (Developed)	4.3%	6.6%	18.8%
Emerging Markets Equity	4.8%	7.1%	22.0%
Fixed Income			
Cash (Gov't)	1.6%	3.8%	1.3%
TIPS	1.7%	3.9%	4.3%
Core U.S. Fixed Income (Market Duration)	2.3%	4.5%	5.1%
Long Duration Bonds – Gov't / Credit	2.7%	5.0%	9.9%
Long Duration Bonds – Credit	2.8%	5.1%	11.1%
Long Duration Bonds – Gov't	2.5%	4.8%	10.4%
High Yield Bonds	3.1%	5.4%	10.5%
Bank Loans	4.1%	6.4%	7.0%
Non-US Developed Bond (100% Hedged)	2.0%	4.2%	3.5%
Short Duration Bonds - Gov't	1.6%	3.8%	2.1%
Short Duration Bonds - Credit	2.2%	4.4%	2.4%
Intermediate Duration Bonds - Gov't	1.7%	3.9%	3.8%
Intermediate Duration Bonds - Credit	2.5%	4.8%	4.8%
Market Duration Bonds - Gov't (Model Portfolios)	1.7%	3.9%	4.6%
Core Plus - Fixed Income (Model Portfolios)	2.5%	4.8%	5.9%
STRIPS (25 Duration)	2.2%	4.4%	14.6%
Emerging Market Bonds (Sov. USD)	4.0%	6.3%	11.0%
Emerging Market Bonds (Corporate USD)	3.3%	5.6%	11.0%
Emerging Market Bonds (Sov. Local)	3.2%	5.5%	13.0%
Alternative Investments			
Hedge Funds - Direct (Universe)	3.0%	5.3%	5.2%
Hedge Funds - Direct (Institutional Quality)	4.5%	6.8%	5.2%
eLDI	3.3%	5.6%	5.9%
Private Real Estate (Core)	3.7%	6.0%	15.0%
Private Real Estate (Non-Core)	5.6%	7.9%	24.9%
U.S. REITs	4.2%	6.5%	18.5%
Infrastructure (Open-End)	5.3%	7.6%	12.5%
Infrastructure (Closed-End)	6.5%	8.8%	16.0%
Open-End Real Assets (Model Portfolios)	4.8%	7.1%	10.4%
Closed-End Real Assets (Model Portfolio)	6.7%	9.0%	16.1%
Private Equity	7.6%	10.0%	20.0%
Commodities	1.6%	3.8%	17.0%
Hedge Funds - Low Beta (Universe)	2.5%	4.8%	4.0%
Hedge Funds - High Beta (Universe)	3.5%	5.8%	8.0%
Hedge Funds - Low Beta (Institutional Quality)	3.5%	5.8%	4.0%
Hedge Funds - High Beta (Institutional Quality)	5.5%	7.8%	8.0%
Private Debt -- Direct Lending	5.9%	8.2%	16.0%
Timberland	3.0%	5.3%	5.3%
Farmland	2.4%	4.7%	12.0%
Liquid Return-Seeking Fixed Income (Institutional Quality)	4.5%	6.8%	8.8%
Liquid Return-Seeking Fixed Income (Universe)	3.7%	6.0%	8.8%
Insurance-Linked Securities (Catastrophe Bonds)	4.5%	6.8%	5.5%
65% US Equity/35% Non-US Equity	4.8%	7.1%	18.2%
7-10 Yr Capital Efficiency	0.5%	2.7%	24.8%
Long Treasury Capital Efficiency	1.4%	3.6%	30.0%
Inflation	0.0%	2.2%	1.7%

¹ Expected returns are using Aon 10 Year Capital Market Assumptions as of 09/30/2024. CMAs contain projections about future returns on asset classes. Our CMA projections are designed to reflect the typical cost of implementing an investment program. Expected returns are calculated using weighted allocations of the underlying CMAs. Expected Returns are geometric (long-term compounded; rounded to the nearest decimal) assuming portfolio weights are rebalanced annually. Expected returns presented are models and do not represent the returns of an actual client account. Your actual returns will be reduced by your advisory fees and other expenses you may incur as a client. Aon's advisory fees are described in Part 2A of Aon's Form ADV. Not a guarantee of future results.



Expected Nominal Correlations

09/30/2024 Assumptions (10-Year)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	
1 Large Cap U.S. Equity	1.00	0.93	0.98	0.78	0.70	0.09	-0.01	0.03	-0.03	0.07	-0.10	0.54	0.46	0.02	0.03	0.07	-0.04	0.06	-0.06	0.07	-0.10	0.39	0.39	0.57	0.75	0.75	0.17	0.33	0.45	0.70	0.26	0.33	0.39	0.51	0.59	0.46	0.39	0.80	0.39	0.80	0.38	0.02	0.01	0.57	0.56	0.02	0.98	-0.11	-0.11	0.08	
2 Small Cap U.S. Equity		1.00	0.93	0.73	0.66	0.08	-0.01	0.03	-0.03	0.06	-0.10	0.51	0.43	0.01	0.02	0.06	-0.04	0.05	-0.06	0.06	-0.10	0.37	0.36	0.51	0.69	0.69	0.15	0.31	0.42	0.65	0.25	0.32	0.37	0.48	0.57	0.41	0.36	0.74	0.36	0.74	0.36	0.02	0.01	0.53	0.52	0.02	0.93	-0.11	-0.11	0.08	
3 Global Equity (Developed & Emerging)			1.00	0.87	0.79	0.09	-0.01	0.03	-0.03	0.07	-0.11	0.58	0.46	0.02	0.02	0.06	-0.05	0.06	-0.07	0.07	-0.11	0.42	0.43	0.61	0.75	0.75	0.17	0.35	0.47	0.69	0.26	0.34	0.41	0.53	0.60	0.49	0.40	0.79	0.40	0.79	0.39	0.02	0.01	0.60	0.60	0.02	1.00	-0.12	-0.12	0.09	
4 International (Non-U.S.) Equity (Developed)				1.00	0.73	0.05	-0.01	0.02	-0.03	0.06	-0.10	0.53	0.39	0.01	-0.01	0.03	-0.06	0.04	-0.07	0.06	-0.10	0.38	0.40	0.60	0.63	0.63	0.14	0.33	0.43	0.57	0.23	0.29	0.37	0.47	0.52	0.49	0.34	0.66	0.34	0.66	0.33	0.03	0.02	0.55	0.55	0.01	0.89	-0.11	-0.11	0.10	
5 Emerging Markets Equity					1.00	0.07	-0.02	0.03	-0.03	0.08	-0.10	0.62	0.39	0.02	0.01	0.05	-0.05	0.06	-0.06	0.08	-0.10	0.44	0.44	0.52	0.58	0.58	0.16	0.30	0.39	0.51	0.21	0.28	0.34	0.44	0.50	0.35	0.33	0.60	0.33	0.60	0.32	0.02	0.01	0.57	0.57	0.02	0.79	-0.11	-0.11	0.08	
6 Cash (Gov't)						1.00	0.47	0.41	0.24	0.20	0.23	0.12	0.16	0.58	0.85	0.77	0.54	0.43	0.46	0.36	0.17	0.16	0.06	0.02	0.22	0.22	0.34	0.16	0.15	0.10	0.11	0.14	0.18	0.18	0.10	0.20	0.18	0.20	0.18	0.20	0.01	0.08	0.05	0.12	0.12	0.27	0.08	0.09	0.08	0.41	
7 TIPS							1.00	0.52	0.47	0.39	0.47	0.05	-0.08	0.25	0.59	0.54	0.59	0.48	0.57	0.45	0.40	0.16	0.01	-0.02	0.06	0.06	0.41	0.05	0.04	0.01	0.04	0.05	0.06	0.06	-0.01	0.13	0.05	0.05	0.05	0.05	-0.13	0.05	0.03	0.01	0.01	0.13	-0.01	0.44	0.41	0.26	
8 Core U.S. Fixed Income (Market Duration)								1.00	0.86	0.88	0.74	0.34	0.09	0.56	0.75	0.84	0.88	0.97	0.89	0.98	0.64	0.56	0.21	0.18	0.21	0.21	0.88	0.06	0.05	0.03	0.04	0.06	0.07	0.07	0.03	0.04	0.17	0.20	0.17	0.20	0.02	0.00	0.00	0.28	0.28	0.12	0.03	0.81	0.70	-0.01	
9 Long Duration Bonds – Gov't / Credit									1.00	0.90	0.95	0.13	-0.09	0.47	0.54	0.58	0.77	0.77	0.82	0.81	0.92	0.38	0.09	0.10	0.08	0.08	0.77	0.01	0.00	-0.02	0.01	0.01	0.01	0.00	-0.03	-0.02	0.06	0.08	0.06	0.08	0.08	-0.11	-0.04	-0.02	0.10	0.10	0.07	-0.03	0.88	0.94	-0.14
10 Long Duration Bonds – Credit										1.00	0.72	0.48	0.26	0.45	0.45	0.61	0.62	0.87	0.65	0.92	0.68	0.66	0.30	0.27	0.28	0.28	0.89	0.05	0.05	0.05	0.04	0.05	0.06	0.07	0.06	0.00	0.22	0.26	0.22	0.26	0.19	-0.02	-0.01	0.43	0.43	0.06	0.07	0.68	0.70	-0.10	
11 Long Duration Bonds – Gov't											1.00	-0.14	-0.32	0.43	0.54	0.49	0.78	0.61	0.84	0.64	0.97	0.14	-0.06	-0.04	-0.07	-0.07	0.58	-0.02	-0.04	-0.06	-0.02	-0.02	-0.03	-0.04	-0.09	-0.04	-0.07	-0.06	-0.07	-0.06	-0.31	-0.04	-0.03	-0.15	-0.15	0.07	-0.11	0.92	0.99	-0.16	
12 High Yield Bonds												1.00	0.73	0.15	0.09	0.28	0.01	0.43	-0.02	0.48	-0.17	0.82	0.61	0.61	0.66	0.66	0.54	0.22	0.28	0.38	0.17	0.22	0.26	0.33	0.39	0.38	0.48	0.64	0.48	0.64	0.60	0.04	0.03	0.90	0.90	0.04	0.58	-0.11	-0.16	0.17	
13 Bank Loans													1.00	0.10	-0.07	0.23	-0.26	0.26	-0.30	0.27	-0.29	0.51	0.56	0.43	0.60	0.60	0.37	0.19	0.24	0.33	0.15	0.19	0.23	0.28	0.33	0.22	0.44	0.57	0.44	0.57	0.82	0.03	0.03	0.80	0.80	0.05	0.46	-0.40	-0.36	0.16	
14 Non-US Developed Bond (100% Hedged)														1.00	0.63	0.64	0.56	0.56	0.54	0.53	0.37	0.29	0.13	0.15	0.16	0.16	0.49	0.07	0.06	0.03	0.04	0.06	0.07	0.08	0.02	0.10	0.14	0.15	0.14	0.15	0.01	0.03	0.02	0.17	0.17	0.16	0.02	0.36	0.35	0.17	
15 Short Duration Bonds - Gov't															1.00	0.91	0.89	0.71	0.84	0.64	0.41	0.24	0.05	0.02	0.14	0.14	0.55	0.12	0.10	0.05	0.07	0.09	0.13	0.12	0.04	0.14	0.11	0.13	0.11	0.13	-0.17	0.05	0.03	0.05	0.05	0.24	0.02	0.54	0.42	0.26	
16 Short Duration Bonds - Credit																1.00	0.81	0.87	0.76	0.81	0.37	0.44	0.17	0.13	0.25	0.25	0.72	0.12	0.11	0.07	0.08	0.10	0.13	0.14	0.07	0.13	0.20	0.23	0.20	0.23	0.08	0.05	0.03	0.27	0.27	0.22	0.06	0.49	0.38	0.23	
17 Intermediate Duration Bonds - Gov't																	1.00	0.79	0.99	0.76	0.65	0.24	0.01	0.00	0.03	0.03	0.64	0.05	0.03	-0.01	0.02	0.03	0.05	0.04	-0.03	0.05	0.02	0.04	0.02	0.04	-0.30	0.01	0.00	-0.05	-0.05	0.16	-0.05	0.85	0.72	0.05	
18 Intermediate Duration Bonds - Credit																		1.00	0.78	0.99	0.50	0.63	0.27	0.23	0.28	0.28	0.90	0.07	0.07	0.05	0.05	0.07	0.09	0.09	0.06	0.06	0.23	0.26	0.23	0.26	0.16	0.01	0.01	0.39	0.39	0.13	0.06	0.67	0.56	0.04	
19 Market Duration Bonds - Gov't (Model Portfolios)																			1.00	0.76	0.72	0.23	0.00	0.00	0.01	0.01	0.65	0.03	0.01	-0.03	0.01	0.02	0.03	0.02	-0.05	0.03	-0.01	0.01	-0.01	0.01	-0.32	0.00	0.00	-0.07	-0.07	0.13	-0.07	0.91	0.79	0.00	
20 Core Plus - Fixed Income (Model Portfolios)																				1.00	0.55	0.67	0.30	0.26	0.29	0.29	0.92	0.07	0.07	0.06	0.05	0.07	0.08	0.09	0.07	0.04	0.24	0.27	0.24	0.27	0.17	0.00	0.00	0.43	0.43	0.11	0.07	0.69	0.60	-0.01	
21 STRIPS (25 Duration)																					1.00	0.10	-0.08	-0.05	-0.08	-0.08	0.53	-0.03	-0.05	-0.07	-0.02	-0.03	-0.04	-0.05	-0.09	-0.05	-0.08	-0.06	-0.08	-0.06	-0.27	-0.05	-0.03	-0.16	-0.16	0.05	-0.11	0.84	0.97	-0.19	
22 Emerging Market Bonds (Sov. USD)																						1.00	0.69	0.62	0.55	0.55	0.67	0.15	0.20	0.28	0.12	0.16	0.18	0.23	0.27	0.23	0.41	0.53	0.41	0.53	0.41	0.02	0.02	0.80	0.80	0.05	0.42	0.17	0.12	0.06	
23 Emerging Market Bonds (Corporate USD)																							1.00	0.59	0.45	0.45	0.36	0.14	0.19	0.27	0.09	0.13	0.16	0.21	0.24	0.26	0.32	0.44	0.32	0.44	0.47	0.02	0.02	0.72	0.72	0.02	0.43	-0.05	-0.08	0.06	
24 Emerging Market Bonds (Sov. Local)																								1.00	0.51	0.51	0.31	0.09	0.18	0.37	0.06	0.08	0.10	0.18	0.16	0.46	0.33	0.52	0.33	0.52	0.36	0.01	0.00	0.73	0.73	0.00	0.61	-0.02	-0.04	0.00	
25 Hedge Funds - Direct (Universe)																									1.00	1.00	0.37	0.31	0.39	0.54	0.23	0.30	0.36	0.45	0.51	0.35	0.76	0.95	0.76	0.95	0.48	0.03	0.02	0.66	0.66	0.06	0.75	-0.10	-0.10	0.13	
26 Hedge Funds - Direct (Institutional Quality)																										1.00	0.37	0.31	0.39	0.54	0.23	0.30	0.36	0.45	0.51	0.35	0.76	0.95	0.76	0.95	0.48	0.03	0.02	0.66	0.66	0.06	0.75	-0.10	-0.10	0.13	
27 eLDI																											1.00	0.10	0.11	0.13	0.08	0.10	0.12	0.14	0.13	0.09	0.28	0.35	0.28	0.35	0.27	0.00	0.00	0.50	0.50	0.10	0.17	0.59	0.55	0.00	
28 Private Real Estate (Core)																												1.00	0.96	0.44	0.14	0.19	0.81	0.83	0.31	0.11	0.17	0.33	0.17	0.33	0.15	0.02	0.01	0.19	0.19	0.04	0.35	-0.04	-0.05	0.09	
29 Private Real Estate (Non-Core)																													1.00	0.49	0.17	0.22	0.79	0.87	0.36	0.17	0.21	0.41	0.21	0.41	0.19	0.02	0.01	0.27	0.26	0.04	0.47	-0.06	-0.06	0.09	
30 U.S. REITs																														1.00	0.19	0.25	0.44	0.50	0.45	0.31	0.28	0.57	0.28	0.57	0.27	0.02	0.01	0.39	0.39	0.02	0.69	-0.08	-0.08	0.07	
31 Infrastructure (Open-End)																															1.00	0.78	0.70	0.51	0.24	0.08															



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Suite 700
Chicago, IL 60601
ATTN: Aon Investments Compliance Officer

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March 2025 Full Year School Land Trust Endowment Payment							3/11/2025
			Sept 2024 Endowment (actual)	\$28,492,933.85			
			March 2025 Endowment (actual)	\$29,433,956.64			
			FY 2025 Full Year Endowment	\$57,926,890.49			
			2023-24 ADM (Final)	849,628.92			
			March Earnings/ADM	34.64			
			Full Year Earnings/ADM	68.17			
			STATE TOTALS	849,628.92	57,926,890.49	28,492,933.85	29,433,956.64
ADM Year	District #	District Type	District Name	Final ADM	Earnings Due Full Year	Earnings Paid Sept 15	Earnings Paid March 15
23-24	1	1	Aitkin Public School District	983.20	67,025.63	33,060.53	33,965.10
23-24	1	3	Minneapolis Public School District	28,757.37	1,960,415.89	956,968.89	1,003,447.00
23-24	2	1	Hill City Public School District	233.04	15,886.55	7,839.36	8,047.19
23-24	4	1	McGregor Public School District	412.47	28,118.45	13,890.09	14,228.36
23-24	6	3	South St. Paul Public School Dist	2,818.28	192,124.69	94,998.01	97,126.68
23-24	11	1	Anoka-Hennepin School District	37,625.25	2,564,947.28	1,253,250.88	1,311,696.40
23-24	12	1	Centennial Public School District	6,478.43	441,640.43	217,786.29	223,854.14
23-24	13	1	Columbia Heights Public School Dist	3,601.99	245,550.91	121,209.84	124,341.07
23-24	14	1	Fridley Public School District	2,584.81	176,208.83	87,075.11	89,133.72
23-24	15	1	St. Francis Area Schools	4,106.75	279,960.86	138,229.54	141,731.32
23-24	16	1	SPRING LAKE PARK PUBLIC SCHOOLS	6,000.94	409,089.50	201,995.73	207,093.77
23-24	22	1	DETROIT LAKES PUBLIC SCHOOL DIST.	2,738.32	186,673.75	92,153.36	94,520.39
23-24	23	1	FRAZEE-VERGAS PUBLIC SCHOOL DIST.	806.11	54,953.25	27,105.81	27,847.44
23-24	25	1	Pine Point Public School District	48.20	3,285.84	1,623.59	1,662.25
23-24	31	1	Bemidji Public School District	4,594.76	313,228.94	154,704.22	158,524.72
23-24	32	1	BLACKDUCK PUBLIC SCHOOL DISTRICT	705.92	48,123.20	23,777.12	24,346.08
23-24	36	1	KELLIHER PUBLIC SCHOOL DISTRICT	322.92	22,013.75	10,877.36	11,136.39
23-24	38	1	RED LAKE PUBLIC SCHOOL DISTRICT	1,396.58	95,206.12	46,651.17	48,554.95
23-24	47	1	Sauk Rapids-Rice Public Schools	4,285.85	292,170.27	144,186.62	147,983.65
23-24	51	1	FOLEY PUBLIC SCHOOL DISTRICT	1,858.39	126,688.13	62,609.14	64,078.99
23-24	75	1	ST. CLAIR PUBLIC SCHOOL DISTRICT	804.21	54,823.72	27,053.94	27,769.78
23-24	77	1	MANKATO PUBLIC SCHOOL DISTRICT	8,015.70	546,437.51	269,225.02	277,212.49
23-24	81	1	COMFREY PUBLIC SCHOOL DISTRICT	103.87	7,080.91	3,498.80	3,582.11
23-24	84	1	SLEEPY EYE PUBLIC SCHOOL DISTRICT	565.61	38,558.14	19,027.96	19,530.18
23-24	85	1	SPRINGFIELD PUBLIC SCHOOL DISTRICT	588.58	40,124.03	19,841.78	20,282.25
23-24	88	1	NEW ULM PUBLIC SCHOOL DISTRICT	2,187.50	149,123.85	73,678.50	75,445.35
23-24	91	1	BARNUM PUBLIC SCHOOL DISTRICT	649.49	44,276.32	21,877.66	22,398.66
23-24	93	1	CARLTON PUBLIC SCHOOL DISTRICT	308.44	21,026.63	10,389.61	10,637.02
23-24	94	1	CLOQUET PUBLIC SCHOOL DISTRICT	2,637.13	179,775.53	88,654.57	91,120.96
23-24	95	1	CROMWELL-WRIGHT PUBLIC SCHOOLS	298.89	20,375.60	10,067.92	10,307.68
23-24	97	1	MOOSE LAKE PUBLIC SCHOOL DISTRICT	582.92	39,738.18	19,608.35	20,129.83
23-24	99	1	ESKO PUBLIC SCHOOL DISTRICT	1,262.53	86,067.81	42,614.43	43,453.38
23-24	100	1	WRENSHALL PUBLIC SCHOOL DISTRICT	331.90	22,625.92	11,179.84	11,446.08
23-24	108	1	CENTRAL PUBLIC SCHOOL DISTRICT	932.73	63,585.05	31,417.07	32,167.98
23-24	110	1	WACONIA PUBLIC SCHOOL DISTRICT	3,925.50	267,604.88	130,837.84	136,767.04
23-24	111	1	Watertown-Mayer Public School Dist	1,463.08	99,739.49	49,202.08	50,537.41
23-24	112	1	EASTERN CARVER COUNTY PUBLIC SCHOOL	9,100.49	620,388.62	306,435.13	313,953.49
23-24	113	1	Walker-Hackensack-Akeley Schl. Dist	672.24	45,827.21	22,642.63	23,184.58
23-24	115	1	CASS LAKE-BENA PUBLIC SCHOOLS	1,082.02	73,762.28	36,449.52	37,312.76
23-24	116	1	PILLAGER PUBLIC SCHOOL DISTRICT	1,289.72	87,921.38	43,438.02	44,483.36
23-24	118	1	NORTHLAND COMMUNITY SCHOOLS	314.02	21,407.03	10,545.23	10,861.80
23-24	129	1	MONTEVIDEO PUBLIC SCHOOL DISTRICT	1,412.77	96,309.81	47,583.55	48,726.26
23-24	138	1	North Branch Area Public Schools	2,730.65	186,150.88	91,715.46	94,435.42
23-24	139	1	RUSH CITY PUBLIC SCHOOL DISTRICT	855.35	58,309.98	28,811.93	29,498.05
23-24	146	1	BARNESVILLE PUBLIC SCHOOL DIST.	886.67	60,445.09	29,866.58	30,578.51
23-24	150	1	HAWLEY PUBLIC SCHOOL DISTRICT	1,078.53	73,524.36	36,196.89	37,327.47
23-24	152	1	Moorhead Area Public Schools	7,211.19	491,593.34	243,033.06	248,560.28
23-24	162	1	BAGLEY PUBLIC SCHOOL DISTRICT	893.14	60,886.16	29,801.57	31,084.59
23-24	166	1	Cook County Public Schools	440.80	30,049.73	14,863.90	15,185.83

March 2025 Full Year School Land Trust Endowment Payment

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ADM Year	District #	District Type	District Name	Final ADM	Earnings Due Full Year	Earnings Paid Sept 15	Earnings Paid March 15
23-24	173	1	MOUNTAIN LAKE PUBLIC SCHOOLS	498.61	33,990.69	16,761.34	17,229.35
23-24	177	1	Windom Public School District	1,174.00	80,032.64	39,520.52	40,512.12
23-24	181	1	BRAINERD PUBLIC SCHOOL DISTRICT	5,867.03	399,960.74	196,944.09	203,016.65
23-24	182	1	Crosby-Ironton Public School Dist.	981.79	66,929.51	33,094.56	33,834.95
23-24	186	1	PEQUOT LAKES PUBLIC SCHOOLS	1,774.42	120,963.81	59,767.19	61,196.62
23-24	191	1	Burnsville-Eagan-Savage Schools	7,467.36	509,056.68	251,467.63	257,589.05
23-24	192	1	FARMINGTON PUBLIC SCHOOL DISTRICT	6,588.69	449,156.95	220,207.86	228,949.09
23-24	194	1	Lakeville Area Schools	11,912.01	812,052.48	391,096.41	420,956.07
23-24	195	1	RANDOLPH PUBLIC SCHOOL DISTRICT	850.31	57,966.40	28,639.80	29,326.60
23-24	196	1	ROSEMOUNT-APPLE VALLEY-EAGAN	28,583.27	1,948,547.34	935,244.16	1,013,303.18
23-24	197	1	West St. Paul-Mendota Heights-Eagan	5,221.60	355,961.19	175,903.48	180,057.71
23-24	199	1	INVER GROVE HEIGHTS SCHOOLS	3,480.20	237,248.38	117,293.35	119,955.03
23-24	200	1	Hastings Public School District	4,038.90	275,335.46	135,938.66	139,396.80
23-24	203	1	HAYFIELD PUBLIC SCHOOL DISTRICT	641.00	43,697.55	21,515.55	22,182.00
23-24	204	1	Kasson-Mantorville School District	2,177.47	148,440.10	73,398.91	75,041.19
23-24	206	1	Alexandria Public School District	3,995.53	272,378.89	134,488.55	137,890.34
23-24	213	1	OSAKIS PUBLIC SCHOOL DISTRICT	849.82	57,933.00	27,627.92	30,305.08
23-24	227	1	CHATFIELD PUBLIC SCHOOLS	866.29	59,055.77	29,163.59	29,892.18
23-24	229	1	LANESBORO PUBLIC SCHOOL DISTRICT	436.28	29,741.60	14,598.81	15,142.79
23-24	238	1	Mabel-Canton Public School District	250.66	17,087.72	8,129.72	8,958.00
23-24	239	1	RUSHFORD-PETERSON PUBLIC SCHOOLS	631.36	43,040.38	21,266.96	21,773.42
23-24	241	1	Albert Lea Public School District	3,266.55	222,683.66	109,999.34	112,684.32
23-24	242	1	ALDEN-CONGER PUBLIC SCHOOL DISTRICT	439.74	29,977.47	14,802.60	15,174.87
23-24	252	1	CANNON FALLS PUBLIC SCHOOL DISTRICT	1,054.92	71,914.85	35,139.53	36,775.32
23-24	253	1	GOODHUE PUBLIC SCHOOL DISTRICT	752.09	51,270.65	25,323.57	25,947.08
23-24	255	1	Pine Island Public School District	1,524.00	103,892.46	49,984.91	53,907.55
23-24	256	1	Red Wing Public School District	2,411.29	164,379.82	80,491.83	83,887.99
23-24	261	1	ASHBY PUBLIC SCHOOL DISTRICT	323.55	22,056.70	10,700.85	11,355.85
23-24	264	1	Herman-Norcross Community School	94.67	6,453.74	3,187.22	3,266.52
23-24	270	1	HOPKINS PUBLIC SCHOOL DISTRICT	6,944.04	473,381.48	234,027.55	239,353.93
23-24	271	1	Bloomington Public Schools	10,133.96	690,841.21	341,380.64	349,460.57
23-24	272	1	EDEN PRAIRIE PUBLIC SCHOOL DISTRICT	9,042.77	616,453.80	301,243.02	315,210.78
23-24	273	1	EDINA PUBLIC SCHOOL DISTRICT	8,541.02	582,249.05	287,694.83	294,554.22
23-24	276	1	MINNETONKA PUBLIC SCHOOL DISTRICT	11,287.13	769,453.85	378,966.00	390,487.85
23-24	277	1	Westonka Public School District	2,405.00	163,951.02	81,004.51	82,946.51
23-24	278	1	ORONO PUBLIC SCHOOL DISTRICT	2,921.93	199,190.61	98,499.83	100,690.78
23-24	279	1	OSSEO PUBLIC SCHOOL DISTRICT	20,631.17	1,406,445.50	694,195.11	712,250.39
23-24	280	1	RICHFIELD PUBLIC SCHOOL DISTRICT	4,035.90	275,130.95	135,768.56	139,362.39
23-24	281	1	ROBBINSDALE PUBLIC SCHOOL DISTRICT	10,588.85	721,851.47	354,297.25	367,554.22
23-24	282	1	ST. ANTHONY-NEW BRIGHTON SCHOOLS	1,821.05	124,142.62	61,337.22	62,805.40
23-24	283	1	ST. LOUIS PARK PUBLIC SCHOOL DIST.	4,336.69	295,636.08	144,538.62	151,097.46
23-24	284	1	WAYZATA PUBLIC SCHOOL DISTRICT	12,499.77	852,120.61	421,049.90	431,070.71
23-24	286	1	Brooklyn Center Community Schools	2,136.52	145,648.50	71,764.21	73,884.29
23-24	294	1	HOUSTON PUBLIC SCHOOL DISTRICT	1,934.70	131,890.25	65,178.58	66,711.67
23-24	297	1	SPRING GROVE SCHOOL DISTRICT	353.73	24,114.09	11,852.52	12,261.57
23-24	299	1	CALEDONIA PUBLIC SCHOOL DISTRICT	715.50	48,776.28	24,013.92	24,762.36
23-24	300	1	La Crescent-Hokah School District	1,005.03	68,513.80	33,792.16	34,721.64
23-24	306	1	Laporte Public School District	359.79	24,527.21	12,123.00	12,404.21
23-24	308	1	NEVIS PUBLIC SCHOOL DISTRICT	583.28	39,762.72	19,649.78	20,112.94

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ADM Year	District #	District Type	District Name	Final ADM	Earnings Due Full Year	Earnings Paid Sept 15	Earnings Paid March 15
23-24	309	1	PARK RAPIDS PUBLIC SCHOOL DISTRICT	1,600.20	109,087.08	53,908.80	55,178.28
23-24	314	1	BRAHAM PUBLIC SCHOOL DISTRICT	778.96	53,102.41	26,180.17	26,922.24
23-24	316	1	GREENWAY PUBLIC SCHOOL DISTRICT	991.13	67,566.23	33,384.58	34,181.65
23-24	317	1	DEER RIVER PUBLIC SCHOOL DISTRICT	814.35	55,514.98	27,430.53	28,084.45
23-24	318	1	GRAND RAPIDS PUBLIC SCHOOL DISTRICT	3,918.79	267,147.45	131,929.89	135,217.56
23-24	319	1	NASHWAUK-KEEWATIN SCHOOL DISTRICT	556.25	37,920.07	18,727.50	19,192.57
23-24	323	2	FRANCONIA PUBLIC SCHOOL DISTRICT	21.00	1,431.59	707.37	724.22
23-24	330	1	HERON LAKE-OKABENA SCHOOL DISTRICT	265.55	18,102.78	8,944.55	9,158.23
23-24	332	1	Mora Public Schools	1,639.79	111,785.97	55,153.44	56,632.53
23-24	333	1	OGILVIE PUBLIC SCHOOL DISTRICT	484.23	33,010.40	16,111.23	16,899.17
23-24	345	1	NEW LONDON-SPICER SCHOOL DISTRICT	1,542.81	105,174.75	51,968.58	53,206.17
23-24	347	1	Willmar Public School District	4,039.43	275,371.59	136,056.89	139,314.70
23-24	356	1	LANCASTER PUBLIC SCHOOL DISTRICT	196.77	13,413.99	6,614.94	6,799.05
23-24	361	1	INTERNATIONAL FALLS SCHOOL DISTRICT	903.36	61,582.87	30,447.98	31,134.89
23-24	362	1	LITTLEFORK-BIG FALLS SCHOOL DIST.	362.84	24,735.13	12,222.04	12,513.09
23-24	363	1	SOUTH KOOCHICHING SCHOOL DISTRICT	180.45	12,301.44	6,051.73	6,249.71
23-24	378	1	Dawson-Boyd Public School District	564.00	38,448.39	18,978.78	19,469.61
23-24	381	1	LAKE SUPERIOR PUBLIC SCHOOL DIST.	1,267.17	86,384.12	42,675.06	43,709.06
23-24	390	1	LAKE OF THE WOODS SCHOOL DISTRICT	439.33	29,949.52	14,800.58	15,148.94
23-24	391	1	CLEVELAND PUBLIC SCHOOL DISTRICT	628.45	42,842.00	21,168.94	21,673.06
23-24	402	1	HENDRICKS PUBLIC SCHOOL DISTRICT	253.26	17,264.96	8,441.64	8,823.32
23-24	403	1	IVANHOE PUBLIC SCHOOL DISTRICT	117.07	7,980.77	3,943.43	4,037.34
23-24	404	1	LAKE BENTON PUBLIC SCHOOL DISTRICT	183.73	12,525.04	6,228.58	6,296.46
23-24	413	1	MARSHALL PUBLIC SCHOOL DISTRICT	2,549.58	173,807.17	85,908.28	87,898.89
23-24	414	1	MINNEOTA PUBLIC SCHOOL DISTRICT	501.62	34,195.89	16,896.75	17,299.14
23-24	415	1	Lynd Public School District	213.94	14,584.48	7,182.52	7,401.96
23-24	423	1	HUTCHINSON PUBLIC SCHOOL DISTRICT	2,652.16	180,800.14	89,204.97	91,595.17
23-24	424	1	LESTER PRAIRIE PUBLIC SCHOOL DIST.	453.05	30,884.83	15,261.04	15,623.79
23-24	432	1	MAHNOMEN PUBLIC SCHOOL DISTRICT	630.40	42,974.94	21,277.74	21,697.20
23-24	435	1	Waubun-Ogema-White Earth Schools	708.15	48,275.23	23,860.66	24,414.57
23-24	441	1	MARSHALL COUNTY CENTRAL SCHOOLS	459.34	31,313.62	15,472.58	15,841.04
23-24	447	1	GRYGLA PUBLIC SCHOOL DISTRICT	119.67	8,158.01	4,270.17	3,887.84
23-24	458	1	TRUMAN PUBLIC SCHOOL DISTRICT	229.78	15,664.31	8,049.22	7,615.09
23-24	463	1	EDEN VALLEY-WATKINS SCHOOL DISTRICT	882.02	60,128.10	29,625.07	30,503.03
23-24	465	1	Litchfield Public School District	1,547.46	105,491.75	52,109.05	53,382.70
23-24	466	1	Dassel-Cokato Public Schools	1,978.50	134,876.13	66,637.79	68,238.34
23-24	473	1	ISLE PUBLIC SCHOOL DISTRICT	411.17	28,029.83	13,851.69	14,178.14
23-24	477	1	PRINCETON PUBLIC SCHOOL DISTRICT	3,146.57	214,504.52	105,705.26	108,799.26
23-24	480	1	ONAMIA PUBLIC SCHOOL DISTRICT	540.38	36,838.19	18,024.84	18,813.35
23-24	482	1	Little Falls Community Schools	2,345.04	159,863.50	78,580.92	81,282.58
23-24	484	1	PIERZ PUBLIC SCHOOL DISTRICT	1,230.27	83,868.62	41,408.53	42,460.09
23-24	485	1	ROYALTON PUBLIC SCHOOL DISTRICT	907.45	61,861.69	30,566.54	31,295.15
23-24	486	1	SWANVILLE PUBLIC SCHOOL DISTRICT	336.13	22,914.29	11,357.36	11,556.93
23-24	487	1	UPSALA PUBLIC SCHOOL DISTRICT	328.43	22,389.37	11,073.06	11,316.31
23-24	492	1	Austin Public School District	5,102.05	347,811.36	171,299.84	176,511.52
23-24	495	1	GRAND MEADOW PUBLIC SCHOOL DISTRICT	435.59	29,694.56	14,672.57	15,021.99
23-24	497	1	LYLE PUBLIC SCHOOL DISTRICT	310.32	21,154.79	10,405.78	10,749.01
23-24	499	1	LEROY-OSTRANDER PUBLIC SCHOOLS	250.67	17,088.40	8,443.66	8,644.74
23-24	500	1	Southland Public School District	508.55	34,668.31	17,068.21	17,600.10

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			FY 2025 Full Year Endowment	\$57,926,890.49			
			2023-24 ADM (Final)	849,628.92			
			March Earnings/ADM	34.64			
			Full Year Earnings/ADM	68.17			
			STATE TOTALS	849,628.92	57,926,890.49	28,492,933.85	29,433,956.64
ADM Year	District #	District Type	District Name	Final ADM	Earnings Due Full Year	Earnings Paid Sept 15	Earnings Paid March 15
23-24	505	1	FULDA PUBLIC SCHOOL DISTRICT	358.34	24,428.36	11,711.38	12,716.98
23-24	507	1	NICOLLET PUBLIC SCHOOL DISTRICT	323.03	22,021.25	10,724.77	11,296.48
23-24	508	1	ST. PETER PUBLIC SCHOOL DISTRICT	2,073.00	141,318.28	69,822.65	71,495.63
23-24	511	1	ADRIAN PUBLIC SCHOOL DISTRICT	575.34	39,221.45	19,415.33	19,806.12
23-24	514	1	ELLSWORTH PUBLIC SCHOOL DISTRICT	131.75	8,981.52	4,439.26	4,542.26
23-24	518	1	WORTHINGTON PUBLIC SCHOOL DISTRICT	3,869.60	263,794.13	130,592.62	133,201.51
23-24	531	1	Byron Public School District	2,327.69	158,680.73	78,319.86	80,360.87
23-24	533	1	DOVER-EYOTA PUBLIC SCHOOL DISTRICT	1,102.84	75,181.60	36,822.07	38,359.53
23-24	534	1	STEWARTVILLE PUBLIC SCHOOL DISTRICT	2,017.19	137,513.66	67,818.43	69,695.23
23-24	535	1	Rochester Public School District	17,000.40	1,158,932.63	571,755.12	587,177.51
23-24	542	1	BATTLE LAKE PUBLIC SCHOOL DISTRICT	410.70	27,997.79	13,844.61	14,153.18
23-24	544	1	Fergus Falls Public School District	3,012.33	205,353.26	101,495.72	103,857.54
23-24	545	1	HENNING PUBLIC SCHOOL DISTRICT	365.55	24,919.87	12,312.98	12,606.89
23-24	547	1	PARKERS PRAIRIE PUBLIC SCHOOL DIST.	531.88	36,258.74	17,915.71	18,343.03
23-24	548	1	Pelican Rapids Public Schools	834.15	56,864.76	28,756.68	28,108.08
23-24	549	1	PERHAM-DENT PUBLIC SCHOOL DISTRICT	1,659.47	113,127.57	55,729.44	57,398.13
23-24	550	1	UNDERWOOD PUBLIC SCHOOL DISTRICT	564.11	38,455.89	18,424.34	20,031.55
23-24	553	1	NEW YORK MILLS PUBLIC SCHOOL DIST.	800.16	54,547.63	27,008.46	27,539.17
23-24	561	1	GOODRIDGE PUBLIC SCHOOL DISTRICT	247.39	16,864.80	8,340.59	8,524.21
23-24	564	1	THIEF RIVER FALLS SCHOOL DISTRICT	1,782.66	121,525.54	60,038.68	61,486.86
23-24	577	1	WILLOW RIVER PUBLIC SCHOOL DISTRICT	416.94	28,423.18	14,046.38	14,376.80
23-24	578	1	PINE CITY PUBLIC SCHOOL DISTRICT	1,584.15	107,992.94	53,229.05	54,763.89
23-24	581	1	EDGERTON PUBLIC SCHOOL DISTRICT	424.32	28,926.28	14,272.74	14,653.54
23-24	592	1	CLIMAX-SHELLY PUBLIC SCHOOLS	168.15	11,462.94	5,664.03	5,798.91
23-24	593	1	Crookston Public School District	1,136.03	77,444.19	38,266.45	39,177.74
23-24	595	1	East Grand Forks Public Schools	1,915.02	130,548.64	64,488.05	66,060.59
23-24	599	1	FERTILE-BELTRAMI SCHOOL DISTRICT	483.22	32,941.54	16,276.96	16,664.58
23-24	600	1	Fisher Public School District	219.62	14,971.69	7,367.11	7,604.58
23-24	601	1	FOSSTON PUBLIC SCHOOL DISTRICT	602.78	41,092.06	20,307.30	20,784.76
23-24	621	1	Mounds View Public School District	11,256.52	767,367.14	379,083.56	388,283.58
23-24	622	1	North St. Paul-Maplewood Oakdale	10,465.12	713,416.68	349,968.81	363,447.87
23-24	623	1	ROSEVILLE PUBLIC SCHOOL DISTRICT	7,234.15	493,158.54	243,229.44	249,929.10
23-24	624	1	White Bear Lake School District	8,298.43	565,711.47	276,126.95	289,584.52
23-24	625	1	Saint Paul Public Schools	31,660.24	2,158,307.16	1,058,242.97	1,100,064.19
23-24	630	1	RED LAKE FALLS PUBLIC SCHOOL DIST.	385.26	26,263.52	12,942.88	13,320.64
23-24	635	1	MILROY PUBLIC SCHOOL DISTRICT	68.69	4,682.66	2,272.68	2,409.98
23-24	640	1	WABASSO PUBLIC SCHOOL DISTRICT	411.78	28,071.41	13,904.23	14,167.18
23-24	656	1	FARIBAULT PUBLIC SCHOOL DISTRICT	3,060.16	208,613.87	103,087.98	105,525.89
23-24	659	1	NORTHFIELD PUBLIC SCHOOL DISTRICT	3,839.75	261,759.23	129,354.38	132,404.85
23-24	671	1	HILLS-BEAVER CREEK SCHOOL DISTRICT	351.08	23,933.44	11,721.15	12,212.29
23-24	676	1	BADGER PUBLIC SCHOOL DISTRICT	223.36	15,226.65	7,523.74	7,702.91
23-24	682	1	ROSEAU PUBLIC SCHOOL DISTRICT	1,065.06	72,606.10	35,866.78	36,739.32
23-24	690	1	WARROAD PUBLIC SCHOOL DISTRICT	1,023.45	69,769.51	34,481.68	35,287.83
23-24	695	1	CHISHOLM PUBLIC SCHOOL DISTRICT	646.18	44,050.67	21,611.22	22,439.45
23-24	696	1	ELY PUBLIC SCHOOL DISTRICT	512.43	34,932.82	17,256.84	17,675.98
23-24	698	1	FLOODWOOD PUBLIC SCHOOL DISTRICT	152.14	10,371.52	5,148.66	5,222.86
23-24	700	1	Hermantown Community Schools	2,061.21	140,514.55	69,463.23	71,051.32
23-24	701	1	Hibbing Public School District	2,135.00	145,544.88	71,770.95	73,773.93
23-24	704	1	Proctor Public School District	1,828.31	124,637.54	61,529.89	63,107.65

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ADM Year	District #	District Type	District Name	Final ADM	Earnings Due Full Year	Earnings Paid Sept 15	Earnings Paid March 15
23-24	707	1	NETT LAKE PUBLIC SCHOOL DISTRICT	72.74	4,958.75	2,418.20	2,540.55
23-24	709	1	DULUTH PUBLIC SCHOOL DISTRICT	8,236.74	561,506.01	275,255.87	286,250.14
23-24	712	1	MOUNTAIN IRON-BUHL SCHOOL DISTRICT	583.70	39,791.36	19,619.80	20,171.56
23-24	716	1	BELLE PLAINE PUBLIC SCHOOL DISTRICT	1,530.79	104,355.34	51,563.02	52,792.32
23-24	717	1	JORDAN PUBLIC SCHOOL DISTRICT	1,818.74	123,985.15	61,123.66	62,861.49
23-24	719	1	Prior Lake-Savage Area Schools	8,665.59	590,741.10	291,835.99	298,905.11
23-24	720	1	Shakopee Public School District	7,670.10	522,877.65	255,009.54	267,868.11
23-24	721	1	NEW PRAGUE AREA SCHOOLS	3,995.36	272,367.30	134,489.22	137,878.08
23-24	726	1	BECKER PUBLIC SCHOOL DISTRICT	2,809.34	191,515.25	94,639.94	96,875.31
23-24	727	1	BIG LAKE PUBLIC SCHOOL DISTRICT	3,179.22	216,730.30	107,034.11	109,696.19
23-24	728	1	Elk River Public School District	14,066.82	958,947.83	473,282.23	485,665.60
23-24	738	1	HOLDINGFORD PUBLIC SCHOOL DISTRICT	1,068.62	72,848.79	35,962.11	36,886.68
23-24	739	1	KIMBALL PUBLIC SCHOOL DISTRICT	734.95	50,102.21	24,839.86	25,262.35
23-24	740	1	MELROSE PUBLIC SCHOOL DISTRICT	1,305.04	88,965.76	43,839.20	45,126.56
23-24	741	1	Paynesville Area Schools	913.18	62,252.31	30,746.42	31,505.89
23-24	742	1	ST. CLOUD PUBLIC SCHOOL DISTRICT	9,217.46	628,362.58	304,968.18	323,394.40
23-24	743	1	SAUK CENTRE PUBLIC SCHOOL DISTRICT	1,141.69	77,830.04	38,408.94	39,421.10
23-24	745	1	ALBANY PUBLIC SCHOOL DISTRICT	1,780.65	121,388.52	59,969.97	61,418.55
23-24	748	1	Sartell-St. Stephen School District	3,984.69	271,639.92	134,172.25	137,467.67
23-24	750	1	ROCORI PUBLIC SCHOOL DISTRICT	2,360.94	160,947.41	79,545.30	81,402.11
23-24	756	1	Blooming Prairie Public Schools	873.71	59,561.60	29,407.47	30,154.13
23-24	761	1	OWATONNA PUBLIC SCHOOL DISTRICT	4,877.54	332,506.31	163,876.48	168,629.83
23-24	763	1	Medford Public School District	876.79	59,771.57	29,526.71	30,244.86
23-24	768	1	HANCOCK PUBLIC SCHOOL DISTRICT	427.99	29,176.46	14,416.57	14,759.89
23-24	771	1	Chokio-Alberta Public Schools	143.57	9,787.30	4,836.06	4,951.24
23-24	775	1	KERKHOVEN-MURDOCK-SUNBURG	797.40	54,359.48	26,878.11	27,481.37
23-24	777	1	BENSON PUBLIC SCHOOL DISTRICT	740.91	50,508.50	24,951.70	25,556.80
23-24	786	1	BERTHA-HEWITT PUBLIC SCHOOL DIST.	513.79	35,025.53	17,307.03	17,718.50
23-24	787	1	BROWERVILLE PUBLIC SCHOOL DISTRICT	548.98	37,424.46	18,026.19	19,398.27
23-24	801	1	Browns Valley Public School Dist	183.87	12,534.58	6,205.33	6,329.25
23-24	803	1	Wheaton Area Public School District	346.08	23,592.59	11,657.49	11,935.10
23-24	811	1	Wabasha-Kellogg School District	1,009.62	68,826.71	33,971.70	34,855.01
23-24	813	1	LAKE CITY PUBLIC SCHOOL DISTRICT	1,200.51	81,839.85	40,344.11	41,495.74
23-24	815	2	PRINSBURG PUBLIC SCHOOL DISTRICT	1.03	70.22	18.53	51.69
23-24	818	1	VERNDALE PUBLIC SCHOOL DISTRICT	504.67	34,403.81	17,000.84	17,402.97
23-24	820	1	SEBEKA PUBLIC SCHOOL DISTRICT	475.66	32,426.17	15,986.26	16,439.91
23-24	821	1	Menahga Public School District	948.27	64,644.42	31,912.57	32,731.85
23-24	829	1	WASECA PUBLIC SCHOOL DISTRICT	1,669.78	113,830.41	56,182.50	57,647.91
23-24	831	1	Forest Lake Public School District	5,682.13	387,355.94	191,207.98	196,147.96
23-24	832	1	MAHTOMEDI PUBLIC SCHOOL DISTRICT	3,171.30	216,190.39	106,132.04	110,058.35
23-24	833	1	South Washington County Schools	19,008.60	1,295,833.43	634,254.45	661,578.98
23-24	834	1	Stillwater Area Public Schools	8,265.38	563,458.42	278,423.21	285,035.21
23-24	836	1	Butterfield-Odin Public Schools	218.87	14,920.57	7,336.12	7,584.45
23-24	837	1	MADELIA PUBLIC SCHOOL DISTRICT	615.29	41,944.88	20,699.05	21,245.83
23-24	840	1	ST. JAMES PUBLIC SCHOOL DISTRICT	1,116.94	76,142.81	37,616.35	38,526.46
23-24	846	1	BRECKENRIDGE PUBLIC SCHOOL DISTRICT	577.01	39,335.29	19,165.73	20,169.56
23-24	850	1	ROTHSAY PUBLIC SCHOOL DISTRICT	305.31	20,813.26	10,284.17	10,529.09
23-24	852	1	Campbell-Tintah Public Schools	127.65	8,702.02	4,299.81	4,402.21
23-24	857	1	Lewiston-Altura Public School Dist	567.78	38,706.08	19,134.74	19,571.34

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23-24	858	1	ST. CHARLES PUBLIC SCHOOL DISTRICT	949.43	64,723.50	31,717.88	33,005.62
23-24	861	1	WINONA AREA PUBLIC SCHOOL DISTRICT	2,348.52	160,100.73	78,577.21	81,523.52
23-24	876	1	ANNANDALE PUBLIC SCHOOL DISTRICT	2,036.61	138,837.54	68,558.81	70,278.73
23-24	877	1	Buffalo-Hanover-Montrose Schools	5,206.47	354,929.76	175,148.95	179,780.81
23-24	879	1	DELANO PUBLIC SCHOOL DISTRICT	2,412.81	164,483.44	81,285.77	83,197.67
23-24	881	1	MAPLE LAKE PUBLIC SCHOOL DISTRICT	793.69	54,106.56	26,648.38	27,458.18
23-24	882	1	Monticello Public School District	4,118.67	280,773.45	138,730.09	142,043.36
23-24	883	1	ROCKFORD PUBLIC SCHOOL DISTRICT	1,559.18	106,290.71	52,514.61	53,776.10
23-24	885	1	St. Michael-Albertville Schools	6,573.01	448,088.03	221,160.79	226,927.24
23-24	891	1	CANBY PUBLIC SCHOOL DISTRICT	593.57	40,464.20	19,972.14	20,492.06
23-24	911	1	Cambridge-Isanti Public School Dist	4,969.55	338,778.71	167,354.73	171,423.98
23-24	912	1	MILACA PUBLIC SCHOOL DISTRICT	1,585.64	108,094.51	53,436.88	54,657.63
23-24	914	1	ULEN-HITTERDAL PUBLIC SCHOOL DIST	295.53	20,146.55	9,954.74	10,191.81
23-24	2071	1	LAKE CRYSTAL-WELLCOME MEMORIAL	959.18	65,388.17	32,305.33	33,082.84
23-24	2125	1	TRITON SCHOOL DISTRICT	880.25	60,007.44	30,146.16	29,861.28
23-24	2134	1	United South Central Schools	759.75	51,792.84	25,588.33	26,204.51
23-24	2135	1	MAPLE RIVER SCHOOL DISTRICT	937.96	63,941.58	31,586.84	32,354.74
23-24	2137	1	KINGSLAND PUBLIC SCHOOL DISTRICT	543.02	37,018.16	18,260.97	18,757.19
23-24	2142	1	ST. LOUIS COUNTY SCHOOL DISTRICT	1,857.03	126,595.41	62,436.67	64,158.74
23-24	2143	1	WATERVILLE-ELYSIAN-MORRISTOWN	742.49	50,616.21	24,847.95	25,768.26
23-24	2144	1	Chisago Lakes School District	3,286.52	224,045.04	110,706.04	113,339.00
23-24	2149	1	MINNEWASKA SCHOOL DISTRICT	1,292.88	88,136.80	43,472.71	44,664.09
23-24	2155	1	WADENA-DEER CREEK SCHOOL DISTRICT	1,113.10	75,881.03	37,738.62	38,142.41
23-24	2159	1	Buffalo Lake-Hector-Stewart	448.34	30,563.74	15,092.62	15,471.12
23-24	2164	1	DILWORTH-GLYNDON-FELTON	1,574.56	107,339.18	53,038.73	54,300.45
23-24	2165	1	HINCKLEY-FINLAYSON SCHOOL DISTRICT	925.57	63,096.94	31,148.61	31,948.33
23-24	2167	1	LAKEVIEW SCHOOL DISTRICT	719.48	49,047.60	24,191.78	24,855.82
23-24	2168	1	NRHEG SCHOOL DISTRICT	769.08	52,428.88	25,866.23	26,562.65
23-24	2169	1	Murray County Central Schools	703.07	47,928.92	23,673.37	24,255.55
23-24	2170	1	STAPLES-MOTLEY SCHOOL DISTRICT	912.15	62,182.09	30,688.82	31,493.27
23-24	2171	1	KITTSON CENTRAL SCHOOL DISTRICT	242.28	16,516.45	8,090.99	8,425.46
23-24	2172	1	KENYON-WANAMINGO SCHOOL DISTRICT	670.42	45,703.14	22,498.80	23,204.34
23-24	2174	1	PINE RIVER-BACKUS SCHOOL DISTRICT	848.51	57,843.69	28,581.52	29,262.17
23-24	2176	1	WARREN-ALVARADO-OSLO SCHOOL DIST.	564.03	38,450.43	19,000.68	19,449.75
23-24	2180	1	MACCRAY School District	743.60	50,691.88	24,923.06	25,768.82
23-24	2184	1	LUVERNE PUBLIC SCHOOL DISTRICT	1,147.84	78,249.29	38,627.89	39,621.40
23-24	2190	1	YELLOW MEDICINE EAST	605.81	41,298.61	20,389.15	20,909.46
23-24	2198	1	FILLMORE CENTRAL	574.95	39,194.86	19,458.45	19,736.41
23-24	2215	1	NORMAN COUNTY EAST SCHOOL DISTRICT	188.26	12,833.85	6,337.71	6,496.14
23-24	2310	1	SIBLEY EAST SCHOOL DISTRICT	1,060.88	72,321.15	35,737.43	36,583.72
23-24	2311	1	CLEARBROOK-GONVICK SCHOOL DISTRICT	468.43	31,933.30	15,747.11	16,186.19
23-24	2342	1	WEST CENTRAL AREA	741.64	50,558.27	24,981.68	25,576.59
23-24	2358	1	TRI-COUNTY SCHOOL DISTRICT	164.47	11,212.07	5,539.06	5,673.01
23-24	2364	1	BELGRADE-BROOTEN-ELROSA SCHOOL DIST	601.17	40,982.30	20,232.85	20,749.45
23-24	2365	1	GFW Public Schools	611.52	41,687.87	20,528.60	21,159.27
23-24	2396	1	A.C.G.C. Public School District	895.42	61,041.59	30,128.31	30,913.28
23-24	2397	1	LE SUEUR-HENDERSON SCHOOL DISTRICT	906.71	61,811.24	30,389.03	31,422.21
23-24	2448	1	Martin County West School District	634.81	43,275.57	20,980.65	22,294.92
23-24	2534	1	BIRD ISLAND-OLIVIA-LAKE LILLIAN	613.20	41,802.40	20,642.46	21,159.94

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23-24	2536	1	Granada Huntley East Chain	302.36	20,612.15	10,167.63	10,444.52
23-24	2580	1	EAST CENTRAL SCHOOL DISTRICT	739.86	50,436.92	24,924.08	25,512.84
23-24	2609	1	WIN-E-MAC SCHOOL DISTRICT	438.47	29,890.90	14,628.11	15,262.79
23-24	2683	1	Greenbush Middle River Schools	222.08	15,139.39	7,483.99	7,655.40
23-24	2687	1	HOWARD LAKE-WAVERLY-WINSTED	1,313.77	89,560.89	44,238.69	45,322.20
23-24	2689	1	Pipestone Area School District	1,129.10	76,971.77	37,965.65	39,006.12
23-24	2711	1	MESABI EAST SCHOOL DISTRICT	859.85	58,616.75	28,902.54	29,714.21
23-24	2752	1	FAIRMONT AREA SCHOOL DISTRICT	1,790.14	122,035.46	60,321.63	61,713.83
23-24	2753	1	Long Prairie-Grey Eagle School Dist	999.62	68,145.00	33,624.07	34,520.93
23-24	2754	1	CEDAR MOUNTAIN SCHOOL DISTRICT	404.90	27,602.40	13,386.84	14,215.56
23-24	2769	1	MORRIS AREA PUBLIC SCHOOLS	1,062.33	72,420.00	35,786.95	36,633.05
23-24	2805	1	Zumbrota-Mazeppa School District	1,227.36	83,670.24	41,342.17	42,328.07
23-24	2835	1	JANESVILLE-WALDORF-PEMBERTON	623.87	42,529.78	21,011.30	21,518.48
23-24	2853	1	Lac qui Parle Valley Schools	811.67	55,332.28	27,313.98	28,018.30
23-24	2856	1	STEPHEN-ARGYLE CENTRAL SCHOOLS	283.28	19,311.45	9,542.11	9,769.34
23-24	2859	1	GLENCOE-SILVER LAKE SCHOOL DISTRICT	1,424.28	97,094.45	47,974.96	49,119.49
23-24	2860	1	Blue Earth Area School District	1,054.06	71,856.22	35,498.61	36,357.61
23-24	2884	1	RED ROCK CENTRAL SCHOOL DISTRICT	365.09	24,888.52	12,278.63	12,609.89
23-24	2886	1	GLENVILLE-EMMONS SCHOOL DISTRICT	267.85	18,259.58	9,045.94	9,213.64
23-24	2888	1	Clinton-Graceville-Beardsley	325.14	22,165.09	10,952.14	11,212.95
23-24	2889	1	LAKE PARK AUDUBON SCHOOL DISTRICT	702.46	47,887.33	23,661.59	24,225.74
23-24	2890	1	Renville County West Schools	509.32	34,720.80	17,168.92	17,551.88
23-24	2895	1	Jackson County Central School Dist.	1,116.28	76,097.82	37,602.54	38,495.28
23-24	2897	1	REDWOOD AREA SCHOOL DISTRICT	1,077.60	73,460.97	36,480.85	36,980.12
23-24	2898	1	WESTBROOK-WALNUT GROVE SCHOOLS	469.25	31,989.20	15,799.32	16,189.88
23-24	2899	1	Plainview-Elgin-Millville	1,414.64	96,437.29	47,750.96	48,686.33
23-24	2902	1	RTR Public Schools	644.93	43,965.46	21,724.06	22,241.40
23-24	2903	1	Ortonville Public Schools	498.38	33,975.01	16,734.39	17,240.62
23-24	2904	1	TRACY AREA PUBLIC SCHOOL DISTRICT	652.55	44,484.92	22,016.44	22,468.48
23-24	2905	1	Tri-City United School District	1,876.55	127,926.11	63,439.46	64,486.65
23-24	2906	1	RED LAKE COUNTY CENTRAL PUBLIC SCH	327.56	22,330.06	11,033.65	11,296.41
23-24	2907	1	ROUND LAKE-BREWSTER PUBLIC SCHOOLS	531.84	36,256.01	17,920.08	18,335.93
23-24	2908	1	BRANDON-EVANSVILLE PUBLIC SCHOOLS	542.97	37,014.76	18,136.34	18,878.42
23-24	2909	1	Rock Ridge Public Schools	2,344.55	159,830.09	78,742.94	81,087.15
23-24	2910	1	Ada-Borup-West Public Schools	669.69	45,653.37	22,566.84	23,086.53
23-24	4000	7	City Academy	135.45	9,233.75	4,562.88	4,670.87
23-24	4001	7	BLUFFVIEW MONTESSORI	213.47	14,552.44	7,190.60	7,361.84
23-24	4003	7	NEW HEIGHTS SCHOOL, INC.	102.91	7,015.47	3,466.46	3,549.01
23-24	4005	7	Metro Deaf School	49.59	3,380.60	1,670.41	1,710.19
23-24	4007	7	Minnesota New Country School	213.36	14,544.94	7,157.59	7,387.35
23-24	4008	7	PACT CHARTER SCHOOL	1,052.99	71,783.28	35,472.34	36,310.94
23-24	4011	7	Athlos Leadership Academy	712.28	48,556.77	23,960.70	24,596.07
23-24	4015	7	COMMUNITY OF PEACE ACADEMY	814.38	55,517.02	27,445.35	28,071.67
23-24	4016	7	WORLD LEARNER CHARTER SCHOOL	203.10	13,845.51	6,842.31	7,003.20
23-24	4017	7	Minnesota Transitions Charter Sch	5,256.54	358,343.08	176,919.40	181,423.68
23-24	4018	7	ACHIEVE LANGUAGE ACADEMY	444.54	30,304.69	14,984.15	15,320.54
23-24	4020	7	DULUTH PUBLIC SCHOOLS ACADEMY	759.25	51,758.76	25,574.86	26,183.90
23-24	4025	7	CYBER VILLAGE ACADEMY	224.18	15,282.55	7,517.68	7,764.87
23-24	4026	7	E.C.H.O. CHARTER SCHOOL	64.13	4,371.80	2,160.18	2,211.62

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			March Earnings/ADM	34.64			
			Full Year Earnings/ADM	68.17			
			STATE TOTALS	849,628.92	57,926,890.49	28,492,933.85	29,433,956.64
ADM Year	District #	District Type	District Name	Final ADM	Earnings Due Full Year	Earnings Paid Sept 15	Earnings Paid March 15
23-24	4027	7	Higher Ground Academy	1,080.72	73,673.66	36,402.70	37,270.96
23-24	4029	7	St. Paul City School	564.80	38,502.93	19,034.70	19,468.23
23-24	4031	7	Jennings Community School	52.54	3,581.70	1,845.57	1,736.13
23-24	4035	7	LIFE PREP	135.80	9,257.61	4,574.34	4,683.27
23-24	4036	7	FACE TO FACE ACADEMY	82.97	5,656.14	2,794.79	2,861.35
23-24	4038	7	Sojourner Truth Academy	329.28	22,447.32	11,078.79	11,368.53
23-24	4039	7	HIGH SCHOOL FOR RECORDING ARTS	210.94	14,379.97	7,105.72	7,274.25
23-24	4043	7	MATH AND SCIENCE ACADEMY	599.32	40,856.19	20,187.72	20,668.47
23-24	4049	7	NORTHWEST PASSAGE HIGH SCHOOL	141.63	9,655.05	4,737.03	4,918.02
23-24	4053	7	NORTH LAKES ACADEMY	526.31	35,879.03	17,682.61	18,196.42
23-24	4054	7	La Crescent Montessori & STEM Schoo	84.60	5,767.26	2,849.70	2,917.56
23-24	4055	7	NERSTRAND CHARTER SCHOOL	98.15	6,690.97	3,306.12	3,384.85
23-24	4056	7	Rosa Parks Charter High School	0.00	1,982.33	1,982.33	0.00
23-24	4058	7	SCHOOLCRAFT LEARNING COMMUNITY CHTR	195.23	13,309.01	6,576.20	6,732.81
23-24	4059	7	CROSSLAKE COMMUNITY CHARTER SCHOOL	467.93	31,899.21	15,794.60	16,104.61
23-24	4064	7	Riverway Learning Community Charter	125.46	8,552.72	4,138.12	4,414.60
23-24	4066	7	Kato Public Charter School	81.93	5,585.24	2,690.71	2,894.53
23-24	4067	7	AURORA CHARTER SCHOOL	413.28	28,173.67	13,833.16	14,340.51
23-24	4068	7	EXCELL ACADEMY CHARTER	465.48	31,732.19	15,679.06	16,053.13
23-24	4070	7	HOPE COMMUNITY ACADEMY	772.99	52,695.43	26,037.68	26,657.75
23-24	4073	7	Academias La Paz	508.25	34,647.86	17,120.08	17,527.78
23-24	4074	7	AFSA High School	379.87	25,896.08	12,800.40	13,095.68
23-24	4075	7	AVALON SCHOOL	258.75	17,639.22	8,442.65	9,196.57
23-24	4078	7	Twin Cities International Schools	919.70	62,696.78	31,037.79	31,658.99
23-24	4079	7	Friendship Academy of the Arts	235.02	16,021.53	8,028.00	7,993.53
23-24	4080	7	Central Lakes Adventure School	36.55	2,491.65	1,228.13	1,263.52
23-24	4081	7	Discovery Public School - Faribault	50.45	3,439.22	1,699.38	1,739.84
23-24	4082	7	BLUESKY CHARTER SCHOOL	596.22	40,644.86	20,079.25	20,565.61
23-24	4083	7	RIDGEWAY COMMUNITY SCHOOL	91.41	6,231.50	3,078.75	3,152.75
23-24	4084	7	NORTH SHORE COMMUNITY SCHOOL	352.73	24,045.92	11,880.48	12,165.44
23-24	4085	7	HARBOR CITY INTERNATIONAL CHARTER	189.98	12,951.11	6,404.41	6,546.70
23-24	4088	7	Urban Academy	391.82	26,710.72	13,198.88	13,511.84
23-24	4089	7	NEW CITY SCHOOL	352.70	24,043.88	11,823.89	12,219.99
23-24	4090	7	PRAIRIE CREEK COMMUNITY SCHOOL	179.64	12,246.22	6,051.06	6,195.16
23-24	4091	7	ARCADIA CHARTER SCHOOL	103.31	7,042.74	3,479.93	3,562.81
23-24	4092	7	WATERSHED HIGH SCHOOL	55.05	3,752.81	1,811.55	1,941.26
23-24	4093	7	New Century Academy	103.33	7,044.10	3,480.61	3,563.49
23-24	4095	7	TRIO WOLF CREEK DISTANCE LEARNING	182.36	12,431.65	6,120.79	6,310.86
23-24	4097	7	PARTNERSHIP ACADEMY, INC.	508.20	34,644.45	17,118.40	17,526.05
23-24	4098	7	Nova Classical Academy	995.84	67,887.31	33,545.59	34,341.72
23-24	4100	7	GREAT EXPECTATIONS	118.81	8,099.39	4,002.04	4,097.35
23-24	4102	7	Minnesota Internship Center	253.53	17,283.37	9,177.64	8,105.73
23-24	4103	7	HMONG COLLEGE PREP ACADEMY	2,466.83	168,166.03	83,106.08	85,059.95
23-24	4104	7	Paladin Career and Tech High School	234.99	16,019.48	7,914.48	8,105.00
23-24	4105	7	GREAT RIVER SCHOOL	778.14	53,046.51	26,227.32	26,819.19
23-24	4106	7	TREKNORTH HIGH SCHOOL	254.58	17,354.95	8,561.56	8,793.39
23-24	4107	7	VOYAGEURS EXPEDITIONARY	109.38	7,456.53	3,684.40	3,772.13
23-24	4110	7	PIM Arts High School	359.90	24,534.71	12,157.03	12,377.68
23-24	4111	7	AUGSBURG FAIRVIEW ACADEMY	90.31	6,156.51	3,042.04	3,114.47



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23-24	4112	7	ST PAUL CONSERVATORY PERFORMING ART	343.19	23,395.57	11,557.78	11,837.79
23-24	4113	7	Spero Academy	229.67	15,656.81	7,735.62	7,921.19
23-24	4116	7	Lakes International Language Academ	1,262.28	86,050.77	42,519.11	43,531.66
23-24	4118	7	KALEIDOSCOPE CHARTER SCHOOL	467.51	31,870.58	15,745.08	16,125.50
23-24	4119	7	ACADEMIC ARTS HIGH SCHOOL	97.64	6,656.21	3,287.93	3,368.28
23-24	4120	7	ST. CROIX PREPARATORY ACADEMY	1,185.63	80,825.47	39,908.90	40,916.57
23-24	4121	7	Ubah Academy	265.19	18,078.24	8,904.13	9,174.11
23-24	4122	7	EAGLE RIDGE ACADEMY CHARTER SCHOOL	1,520.29	103,639.54	51,178.35	52,461.19
23-24	4124	7	BEACON ACADEMY	525.88	35,849.71	17,735.16	18,114.55
23-24	4126	7	PRAIRIE SEEDS ACADEMY	804.25	54,826.45	27,090.32	27,736.13
23-24	4127	7	TEAM ACADEMY	92.00	6,271.72	3,094.92	3,176.80
23-24	4131	7	Metro Schools Charter	1,246.37	84,966.17	39,366.59	45,599.58
23-24	4132	7	Twin Cities Academy	515.79	35,161.87	17,408.08	17,753.79
23-24	4135	7	ROCHESTER MATH AND SCIENCE ACADEMY	418.18	28,507.71	14,084.11	14,423.60
23-24	4137	7	Swan River Montessori Charter Sch	156.79	10,688.52	5,247.69	5,440.83
23-24	4139	7	LOVEWORKS ACADEMY FOR ARTS	0.00	4,937.12	4,937.12	0.00
23-24	4140	7	YINGHUA ACADEMY	836.21	57,005.19	28,167.21	28,837.98
23-24	4142	7	STRIDE Academy	573.68	39,108.28	18,563.79	20,544.49
23-24	4143	7	New Millennium Academy	841.74	57,382.18	28,298.91	29,083.27
23-24	4145	7	Birch Grove Community School	50.64	3,452.17	1,705.78	1,746.39
23-24	4146	7	Northern Lights Community School	83.32	5,680.00	2,806.58	2,873.42
23-24	4150	7	MINNESOTA ONLINE HIGH SCHOOL	237.20	16,170.14	7,957.26	8,212.88
23-24	4151	7	EDVISIONS OFF CAMPUS SCHOOL	107.01	7,294.97	3,604.56	3,690.41
23-24	4152	7	Twin Cities German Immersion Chtr	576.45	39,297.12	19,399.17	19,897.95
23-24	4153	7	Midway Star Academy	425.88	29,032.62	14,050.09	14,982.53
23-24	4155	7	NAYTAHWAUSH COMMUNITY SCHOOL	142.90	9,741.62	4,813.50	4,928.12
23-24	4159	7	Seven Hills Preparatory Academy	1,134.87	77,365.11	38,227.38	39,137.73
23-24	4160	7	SPECTRUM HIGH SCHOOL	869.92	59,303.23	29,307.42	29,995.81
23-24	4161	7	NEW DISCOVERIES MONTESSORI ACADEMY	204.90	13,968.22	6,911.02	7,057.20
23-24	4162	7	Southside Family Charter School	116.86	7,966.45	3,902.67	4,063.78
23-24	4164	7	Laura Jeffrey Academy Charter	115.31	7,860.79	3,836.99	4,023.80
23-24	4166	7	EAST RANGE ACADEMY OF TECH-SCIENCE	136.02	9,272.61	4,581.75	4,690.86
23-24	4167	7	International Spanish Language Acad	417.10	28,434.08	14,049.75	14,384.33
23-24	4168	7	GLACIAL HILLS ELEMENTARY	95.31	6,497.37	3,254.92	3,242.45
23-24	4169	7	Stonebridge World School	208.72	14,228.63	7,007.70	7,220.93
23-24	4170	7	HIAWATHA ACADEMIES	1,568.85	106,949.92	52,825.51	54,124.41
23-24	4171	7	NOBLE ACADEMY	558.80	38,093.90	18,733.56	19,360.34
23-24	4178	7	Lincoln International High School	159.40	10,866.44	5,342.68	5,523.76
23-24	4181	7	Community School of Excellence	1,444.76	98,490.59	47,752.98	50,737.61
23-24	4183	7	LIONSGATE ACADEMY	392.00	26,722.99	13,202.93	13,520.06
23-24	4184	7	ASPEN ACADEMY	621.60	42,375.03	20,904.52	21,470.51
23-24	4185	7	DAVINCI ACADEMY	949.98	64,760.99	31,968.15	32,792.84
23-24	4186	7	GLOBAL ACADEMY	444.62	30,310.15	14,974.72	15,335.43
23-24	4188	7	COLOGNE ACADEMY	687.05	46,836.82	23,145.20	23,691.62
23-24	4191	7	KIPP MINNESOTA CHARTER SCHOOL	263.49	17,962.35	8,876.84	9,085.51
23-24	4192	7	BEST ACADEMY	673.73	45,928.78	22,586.04	23,342.74
23-24	4194	7	CANNON RIVER STEM SCHOOL	232.55	15,853.14	7,833.30	8,019.84
23-24	4195	7	OSHKI OGIMAAG CHARTER SCHOOL	17.17	1,170.49	578.36	592.13
23-24	4198	7	Discovery Woods	100.16	6,828.00	3,369.78	3,458.22

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23-24	4199	7	Parnassus Preparatory School	1,364.43	93,014.43	45,959.96	47,054.47
23-24	4200	7	STEP Academy	833.50	56,820.45	27,987.67	28,832.78
23-24	4201	7	CORNERSTONE MONTESSORI ELEMENTARY	138.64	9,451.21	4,669.66	4,781.55
23-24	4205	7	Hennepin Schools	442.56	30,169.72	14,873.33	15,296.39
23-24	4207	7	Vermilion Country School	57.85	3,943.69	1,948.64	1,995.05
23-24	4208	7	NASHA SHKOLA CHARTER SCHOOL	106.55	7,263.61	3,589.07	3,674.54
23-24	4213	7	Prodeo Academy	966.17	65,864.68	32,576.15	33,288.53
23-24	4215	7	Sejong Academy of Minnesota	343.92	23,445.34	11,585.40	11,859.94
23-24	4217	7	TECHNICAL ACADEMIES OF MINNESOTA	119.75	8,163.47	3,933.32	4,230.15
23-24	4218	7	Venture Academy	341.36	23,270.82	11,417.99	11,852.83
23-24	4219	7	Northeast College Prep	268.79	18,323.66	9,099.50	9,224.16
23-24	4220	7	Agamim Classical Academy	257.86	17,578.55	8,690.57	8,887.98
23-24	4221	7	Discovery Charter School	174.39	11,888.32	5,874.22	6,014.10
23-24	4223	7	Saint Cloud Math and Science Academ	326.19	22,236.67	10,988.52	11,248.15
23-24	4224	7	Star of the North Academy Charter S	188.90	12,877.48	6,353.21	6,524.27
23-24	4225	7	Universal Academy Charter School	515.90	35,169.37	17,323.53	17,845.84
23-24	4226	7	Bdote Learning Center	87.89	5,991.54	2,960.86	3,030.68
23-24	4227	7	Art and Science Academy	305.59	20,832.35	10,293.61	10,538.74
23-24	4228	7	Woodbury Leadership Academy	735.15	50,115.84	24,763.40	25,352.44
23-24	4229	7	Terra Nova School	106.24	7,242.48	3,612.31	3,630.17
23-24	4230	7	Minnesota Excellence in Learning Ac	201.94	13,766.43	6,802.22	6,964.21
23-24	4231	7	Minnesota Math and Science Academy	560.25	38,192.75	18,813.73	19,379.02
23-24	4232	7	Success Academy	359.19	24,486.31	12,099.09	12,387.22
23-24	4233	7	Level Up Academy	243.65	16,609.84	8,207.20	8,402.64
23-24	4237	7	Career Pathways	115.76	7,891.46	3,916.82	3,974.64
23-24	4238	7	Rochester Beacon Academy	96.60	6,585.31	3,253.91	3,331.40
23-24	4239	7	Twin Lakes STEM Academy	214.79	14,642.43	6,988.16	7,654.27
23-24	4240	7	New Century School	745.10	50,794.14	25,131.57	25,662.57
23-24	4243	7	North Metro Flex Academy	178.24	12,150.78	6,004.24	6,146.54
23-24	4244	7	FIT Academy	392.14	26,732.54	13,242.67	13,489.87
23-24	4250	7	Athlos Academy of Saint Cloud	247.18	16,850.48	8,326.10	8,524.38
23-24	4253	7	Phoenix Academy Charter School	159.45	10,869.85	5,370.97	5,498.88
23-24	4254	7	Marine Area Community School	116.04	7,910.55	3,908.73	4,001.82
23-24	4255	7	Skyline Math and Science Academy	215.23	14,672.42	7,249.89	7,422.53
23-24	4258	7	The Journey School	139.70	9,523.48	4,705.03	4,818.45
23-24	4261	7	SciTech Academy Charter School	327.52	22,327.33	11,032.30	11,295.03
23-24	4263	7	Progeny Academy Charter School	95.56	6,514.41	3,218.88	3,295.53
23-24	4264	7	Gateway STEM Academy	129.40	8,821.31	4,358.76	4,462.55
23-24	4265	7	Minnesota Wildflower Montessori Sch	32.52	2,216.92	1,095.42	1,121.50
23-24	4266	7	Three Rivers Montessori School	99.21	6,763.24	3,341.83	3,421.41
23-24	4267	7	Horizon Science Academy Twin Cities	157.10	10,709.65	4,522.46	6,187.19
23-24	4268	7	Great Oaks Academy Charter School	429.87	29,304.63	14,480.24	14,824.39
23-24	4269	7	Quantum STEAM Academy Charter	183.72	12,524.36	6,170.30	6,354.06
23-24	4270	7	STEAM Academy Charter School	45.90	3,129.04	1,512.43	1,616.61
23-24	4271	7	Aurora Waasakone Community of Learn	139.78	9,528.93	4,708.40	4,820.53
23-24	4273	7	Modern Montessori Charter School	182.55	12,444.60	6,149.08	6,295.52
23-24	4275	7	St. Paul School of Northern Lights	213.24	14,536.76	7,181.84	7,354.92
23-24	4276	7	Notre Ecole Academy	58.99	4,021.40	1,987.04	2,034.36
23-24	4279	7	Exploration High School	106.77	7,278.61	3,596.48	3,682.13

March 2025 Full Year School Land Trust Endowment Payment					3/11/2025		
							
			Sept 2024 Endowment (actual)	\$28,492,933.85			
			March 2025 Endowment (actual)	\$29,433,956.64			
			FY 2025 Full Year Endowment	\$57,926,890.49			
			2023-24 ADM (Final)	849,628.92			
			March Earnings/ADM	34.64			
			Full Year Earnings/ADM	68.17			
			STATE TOTALS	849,628.92	57,926,890.49	28,492,933.85	29,433,956.64
ADM Year	District #	District Type	District Name	Final ADM	Earnings Due Full Year	Earnings Paid Sept 15	Earnings Paid March 15
23-24	4280	7	Aspire Academy Charter School	173.86	11,852.19	5,806.17	6,046.02
23-24	4282	7	Innovation Sci & Tech Academy	77.15	5,259.39	2,565.40	2,693.99
23-24	4283	7	Escuela Exitos Charter School	228.90	15,604.32	7,710.35	7,893.97
23-24	4284	7	Gentry Academy Charter School	311.65	21,245.46	10,498.07	10,747.39
23-24	4285	7	Aim Academy of Science & Technology	166.84	11,373.63	5,619.90	5,753.73
23-24	4289	7	Oak Hill Montessori Community	164.18	11,192.30	5,530.30	5,662.00
23-24	4290	7	Kalon Prep Academy	127.84	8,714.97	4,308.90	4,406.07
23-24	4291	7	Creekstone Montessori Charter	89.64	6,110.84	2,886.41	3,224.43
23-24	4293	7	Rollingstone Community School	50.53	3,444.68	1,769.44	1,675.24
23-24	4295	7	Bultum Academy Charter School	205.16	13,985.94	6,910.69	7,075.25
23-24	4297	7	Marine Village School	95.36	6,500.78	3,212.14	3,288.64
23-24	4298	7	Endazhi-Nitaawiging	88.77	6,051.53	2,963.89	3,087.64
23-24	4301	7	Surad Academy	60.65	4,134.57	2,042.96	2,091.61
23-24	4302	7	Heartland Lakes Community School	0.00	0.00	0.00	0.00

Note:

The amount distributed to school districts are the distributable earnings from the Permanent School Fund as well as any interest earned on the cash balance as the funds are awaiting disbursement. Reported distributions vary between entities due to different reporting period constructs.

Non-Retirement Investment Program

Permanent School Fund

Permanent School Fund

The Permanent School Fund is a trust fund established by [Article XI, Section 8](#) of the Minnesota Constitution and designated as a long-term revenue source for public schools. Proceeds from land sales, mining royalties, timber sales, lakeshore, and other leases are invested in the Fund.

As of June 30, 2024, the Fund's market value was approximately \$2.1 billion.

Investment Objective

The SBI invests the Permanent School Fund in a manner to produce annual distributions in support of Minnesota schools, while maintaining the Fund as a perpetual financial resource.

Investment Constraints

The Fund's investment objectives are dictated by the legal provisions under which its investments must be managed. These provisions require that the Fund's principal remain inviolate. Any net realized capital gains from stock or bond investments must be added to the principal. Moreover, if the Fund realizes net capital losses, these losses must be offset against interest and dividend income before such income can be distributed. Finally, all interest and dividend income must be distributed in the year earned.

Asset Allocation

To produce a growing level of spendable income, the Fund invests a portion of its assets in equities. The Fund's allocation to fixed income and cash provides current income, liquidity, and risk diversification.

The current long-term asset allocation targets for the Fund are:

Domestic Equity	50%
Domestic Bonds	48%
Cash	2%

The SBI follows a disciplined approach to rebalancing to maintain the target asset allocation and risk exposure over time.

Prior to fiscal year 1998 legislation, the Permanent School Fund was invested entirely in fixed income securities.

Figure 70 presents the Permanent School Fund's actual asset mix at the end of fiscal year 2024.

Investment Management

Assets of the Permanent School Fund are invested in the

Non-Retirement Equity, Bond, and Money Market Funds. Fund summaries are provided on pages 149-151.

Investment Performance

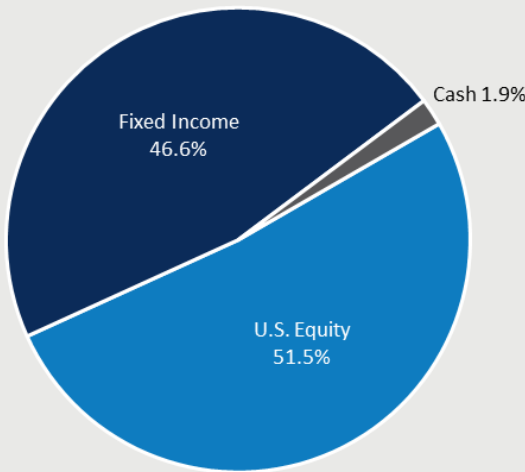
The **equity** segment of the Permanent School Fund closely tracked its benchmark, the S&P 500 Index, in fiscal year 2024.

The **bond** segment outperformed its benchmark, the Bloomberg U.S. Aggregate, by 1.0 percentage points in fiscal year 2024.

The **cash** segment outperformed its benchmark, the iMoneyNet All Taxable Money Fund Average, by 0.5 percentage points in fiscal year 2024.

Overall, the Permanent School Fund provided a return of +14.0% in fiscal year 2024, outperforming its composite index by 0.7 percentage points.

Figure 70. Permanent School Fund Asset Mix as of June 30, 2024



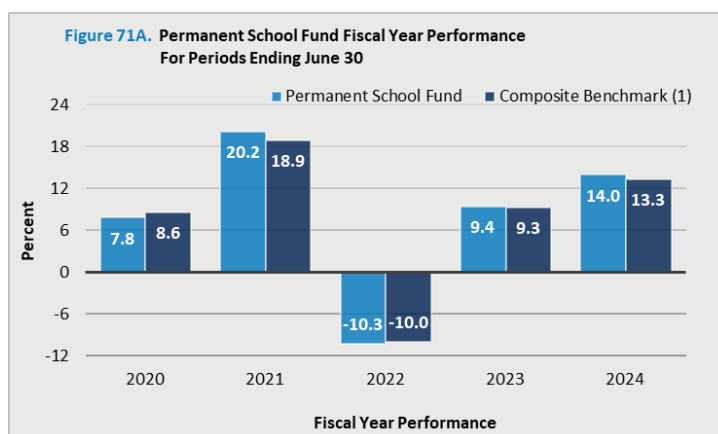
Non-Retirement Investment Program Permanent School Fund

The Fund also outperformed its composite index over the trailing three-, five-, 10-, and 20-year periods ending June 30, 2024.

Historical performance results for the total Fund and each asset class segment are provided in Figures 71A and 71B.

Spendable income generated by the portfolio over the last five fiscal years is shown below:

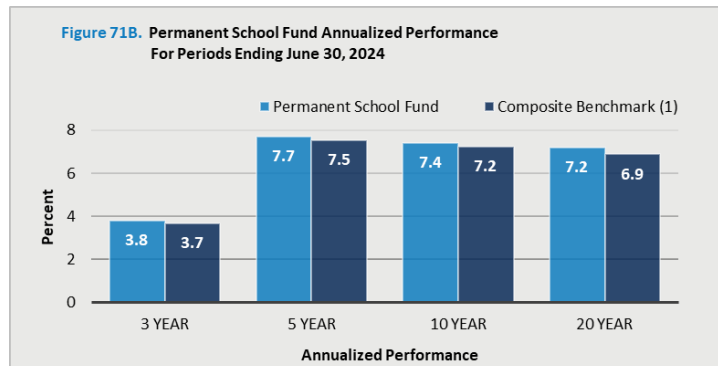
<u>Fiscal Year</u>	<u>In Millions</u>
2020	\$39
2021	\$36
2022	\$36
2023	\$43
2024	\$53



(1) Composite Benchmark represents the aggregate return of the respective sub-asset group benchmark returns weighted by the target allocation.

Permanent School Fund Fiscal Year Performance (%) For Periods Ending June 30					
Segment/Benchmark	2020	2021	2022	2023	2024
U.S. Equity Segment	7.5	40.8	-10.6	19.7	24.5
S&P 500	7.5	40.8	-10.6	19.6	24.6
Bond Segment	8.2	1.2	-11.1	-0.6	3.6
U.S. Bloomberg Aggregate	8.7	-0.3	-10.3	-0.9	2.6
Cash Segment	1.5	0.1	0.2	4.0	5.6
iMoney Net All Taxable Money Fund Average	1.1	0.0	0.1	3.5	5.1
Permanent School Fund	7.8	20.2	-10.3	9.4	14.0
Composite Benchmark¹	8.6	18.9	-10.0	9.3	13.3

¹ Composite benchmark represents the aggregate return of the respective sub-asset group benchmark returns weighted by the target allocation.



(1) Composite Benchmark represents the aggregate return of the respective sub-asset group benchmark returns weighted by the target allocation.

Permanent School Fund Annualized Performance (%) For Periods Ending June 30, 2024				
Segment/Benchmark	3 Year	5 Year	10 Year	20 Year
U.S. Equity Segment	10.0	15.0	12.9	10.3
S&P 500	10.0	15.0	12.9	10.3
Bond Segment	-2.9	0.1	1.7	3.6
U.S. Bloomberg Aggregate	-3.0	-0.2	1.3	3.1
Cash Segment	3.3	2.3	1.6	1.8
Custom Benchmark ¹	2.9	2.0	1.3	1.4
Permanent School Fund	3.8	7.7	7.4	7.2
Composite Benchmark²	3.7	7.5	7.2	6.9

¹ Custom Benchmark is the iMoneyNet All Taxable Money Fund Average since 1/1/2004; prior to that it was the ICE BofA 3 Month T-Bill Index.

² Composite benchmark represents the aggregate return of the respective sub-asset group benchmark returns weighted by the target allocation.