



UTAH SCHOOL & INSTITUTIONAL TRUST FUNDS OFFICE

STATE OF UTAH, SCHOOL AND INSTITUTIONAL TRUST FUNDS

Financial Statements

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Administered by the School and Institutional Trust Funds Office





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Independent Auditor's Report

To the Board of Trustees
School and Institutional Trust Funds
Salt Lake City, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of School and Institutional Trust Funds, a component of the State of Utah, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise School and Institutional Trust Funds' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fund net balance and net position of the School and Institutional Trust Funds as of June 30, 2025, and its respective changes in fund balance and net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and Institutional Trust Funds, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Reporting Entity

As discussed in Note 1, the financial statements of the School and Institutional Trust Funds, a component of the State of Utah, are intended to present the fund net balance and net position, the changes in fund balance and net position of only that portion of the State of Utah that is attributable to the transactions of the School and Institutional Trust Funds. They do not purport to, and do not, present fairly the financial position of the State of Utah as of June 30, 2025, and the changes in their financial position and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School and Institutional Funds Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 14-18 be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the School and Institutional Trust Funds of the State of Utah basic financial statements. The trust lands permanent fund combining schedule by beneficiary governmental balance sheet and statement of net position, combining schedule by beneficiary governmental statement of revenues, expenditures and changes in governmental fund balances and statement of governmental activities, shown on pages 38 through 43 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Annual Update, supplemental schedule of operating expenditures, schedule of weighted investment returns by beneficiary, schedule of weighted investment returns by investment thematic, and schedule of brokerage commissions on pages 7 through 13 and 52 through 56 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2025, on our consideration of the School and Institutional Trust Funds' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School and Institutional Trust Funds' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School and Institutional Trust Funds' internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Salt Lake City, Utah
October 9, 2025



OVERVIEW AND ANNUAL UPDATE

Introduction

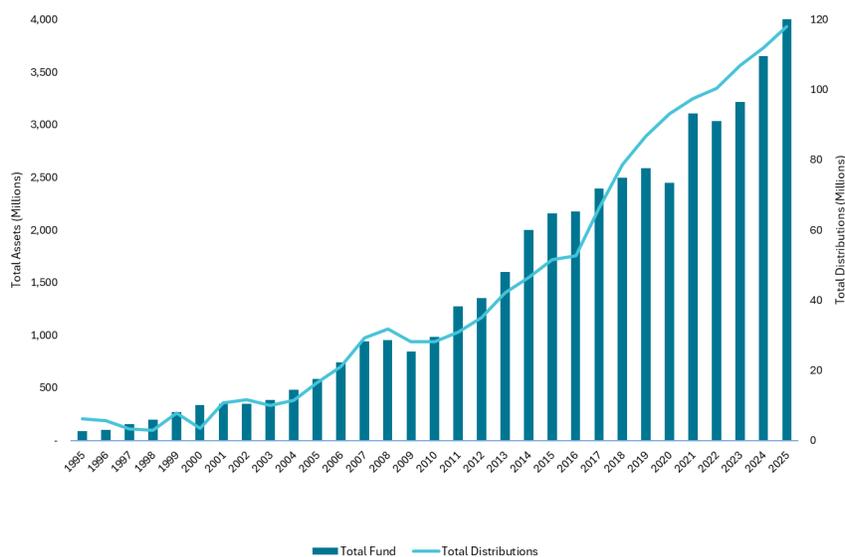
We are pleased to present the Annual Financial Report of the State of Utah, School & Institutional Trust Funds Office (SITFO). This report is designed to provide a comprehensive overview of our financial performance, goals, and accomplishments for the year. We encourage readers to visit our website at <https://sitfo.utah.gov> for additional information about our agency, investment policies, and portfolio management activities.

Impact Highlights

In Fiscal Year 2025, SITFO distributed \$117,977,375 to its 11 beneficiaries. In addition to record distributions, the investment returns exceeded SITFO’s primary investment objective, returning 10.85% during the fiscal year while the interim benchmark returned 8.82% and CPI + 5%, returned 7.79%.

The following chart provides a detailed breakdown of SITFO’s fund value and distributions over time as detailed in the Management Discussion & Analysis (MD&A) section of this report and supported by the accompanying financial statements and footnotes.

Figure 1: Fund Value and Distributions over Time



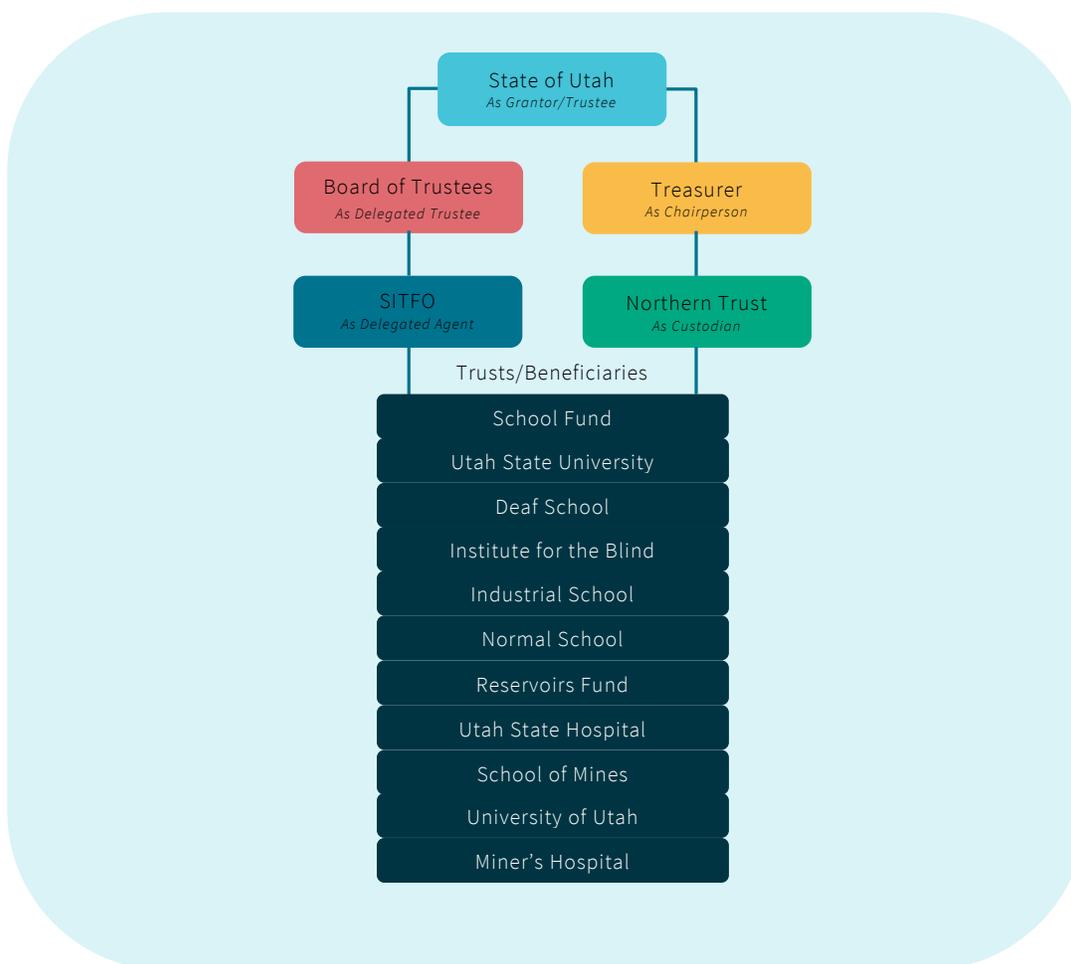


This fiscal year, \$111 million was distributed to the School Fund, the largest of the beneficiaries, committed to enhancing the educational experience of every public K-12 student across the state. Each school council actively evaluates specific needs and pinpoints opportunities for improvement, ensuring that resources are utilized effectively within their respective districts. This targeted approach empowers students with the tools and support they need to thrive academically, paving the way for a brighter future for Utah’s youth.

Governance

In 2014, the Utah State Legislature passed statutes that created SITFO with the purpose of investing the profits from the Trust Lands Administration (“TLA”) for the sole benefit of their respective beneficiaries. While the 11 trusts represent different underlying beneficiaries, they are managed with the same asset allocation, as the return and risk objectives are similar. There are significant benefits for the trusts to invest in a uniform manner, such as greater diversification and operational efficiencies from pooling resources.

Figure 2: Trust Governance





SITFO's Board of Trustees consists of the Treasurer of the State of Utah as Chair ex-officio and four additional members. Trustees are selected on a non-partisan basis and must possess substantial expertise in institutional money management. Each trustee serves a six-year term, providing stability and continuity in governance. In June 2025, the conclusion of one trustee's term prompted the appointment of a successor, selected by Treasurer Oaks from the committee's list of nominees. This process reflects SITFO's commitment to rigorous governance practices. The Board of Trustees plays a vital role in providing strategic oversight and guiding SITFO's mission. Through their stewardship, the board ensures the organization fulfills its fiduciary responsibilities while advancing its long-term investment objectives.

MARLO OAKS – CHAIR, BOARD OF TRUSTEES

Marlo was appointed Utah State Treasurer after a 25-year career in investment banking and investment management. He oversaw institutional portfolios at Farmers Insurance Group (\$24 billion) and Intermountain Healthcare (\$7.5 billion). Marlo holds the CFA and CAIA credentials.

BONG CHOI – VICE CHAIR, BOARD OF TRUSTEES

Bong previously served as CIO of FJ Management. He has over 25 years of experience in investment management across all asset classes. Bong earned his MBA from Harvard Business School and his BA from Yale University. He is a CFA and CAIA charter holder.

DAVID NIXON – BOARD OF TRUSTEES

David worked at Coopers & Lybrand and as Assistant Treasurer and Director of Global Investments at EDS, responsible for assets totaling \$15 billion. David has an accounting MBA. His extensive international experience includes work in both developed and emerging markets and living in Colombia, Belgium, and England.

DAVID ZUCKER – BOARD OF TRUSTEES

David is Managing Partner of Lead Lap Enterprises. He has 30 years of experience as an executive across multiple sectors and prominent companies such as Disney and ESPN. David also serves as board chair for a leading healthcare organization with a \$4 billion foundation.

MARK SIDDOWAY – BOARD OF TRUSTEES

Mark is President of Cynosure Advisors, where he manages the advisory team and investment process for \$1.5 billion of client assets. He was previously the Head of Client Relations of Grandeur Peak Global Advisors, a Portfolio Manager and Asset Allocator in the Lehigh University Investment Office, and Deputy Chief Investment Officer at Utah Retirement Systems. He has an MBA from Brigham Young University and holds the CFA and CAIA credentials.



SITFO currently employs a dedicated team of 10 full-time professionals who manage the day-to-day operations of the office. The board of trustees has entrusted these staff members with certain decision-making authorities to ensure efficient and effective management. As the agency continues to grow and evolve, we are actively working toward expanding our team to 12 full-time professionals, further strengthening our capabilities to serve our beneficiaries.

PETER MADSEN – DIRECTOR, CHIEF INVESTMENT OFFICER

Peter was the first SITFO employee starting in 2015 and has been critical in establishing the direction of the organization. Working in the investment management industry since 1999, his most recent experience includes Managing Director of Cube Capital, an investment group in London. His career includes a range of experience in global investing for large institutional clients such as pension funds and endowments, as well as permanent school fund experience from another state. Peter holds a Bachelor of Arts degree from the University of Utah in International Political Economy and Russian. He also holds an MBA focused on International Finance from the Middlebury Institute of International Studies.

ANGELIQUE PAPPAS – DEPUTY CHIEF INVESTMENT OFFICER

Angelique joined the SITFO team in 2025, bringing extensive experience in alternative investment research and institutional portfolio management. Prior to SITFO, she was a Principal and Associate Research Director at Fiducient Advisors, an investment consulting firm based in Chicago, where she was responsible for sourcing, underwriting, and monitoring investments across private equity, venture capital, real estate, secondaries, and private credit. Her previous roles include investment positions at Granite Associates, a New York-based single-family office, and at Utah Retirement Systems, where she supported due diligence across traditional and alternative asset classes. She holds a Bachelor of Arts in Finance from Westminster College and an MBA from Northwestern University Kellogg School of Management. Angelique is also a CFA charterholder.

RYAN KULIG – FINANCE AND OPERATIONS OFFICER

Ryan joined SITFO in 2016 to manage office operations, portfolio administration, and investment analysis. Before joining SITFO, he worked for Sax Angle Partners, specializing in fundamental and technical analysis of equity investment opportunities. Prior to that, he performed financial analysis of federal grant activity at MRK Advisors. Ryan holds a Bachelor of Business Administration in Global Business with an Emphasis in Finance and a Minor in Economics from the University of Portland and an MBA from the University of Southern California.



JOHNNY LODDER – INVESTMENT OFFICER

In 2019 Johnny joined SITFO to support in the evaluation, due diligence and ongoing monitoring of investments. He previously performed manager research across a variety of alternative investment strategies for Aksia, an international alternatives consultant. Prior to that, Johnny spent time with Sorenson Impact where he collaborated with venture funds and foundations to identify and fund socially impactful businesses. Johnny earned a Bachelor of Science in Finance from the University of Utah.

HAYDEN BERGESON – SENIOR INVESTMENT ANALYST

Hayden joined SITFO in 2021 to assist in establishing risk and reporting frameworks in support of the ongoing evaluation, due diligence, and monitoring of investments. He was previously an Intern for SITFO from 2020-2021 where he supported the team in a variety of functions. Hayden earned a Bachelor of Science in Financial Economics from Brigham Young University Idaho and a MSF from the University of Utah.

OLIVER SORENSEN – INVESTMENT ANALYST

Oliver was brought onboard in 2024 to support in the evaluation, due diligence, and ongoing monitoring of investments in the Private Equity portfolio. Prior to joining as an Investment Analyst, he worked at SITFO as an Investment Analyst Intern from 2023 to 2024, supporting due diligence across the Growth and Real Assets portfolios as well as portfolio reporting. Prior to joining SITFO, Oliver was selected to be an Analyst and a member of the Investment Committee of the BYU Silver Fund, making single-stock investments in the Russell 3000. Before the BYU Silver Fund, he worked as a Development Analyst Intern at Utah's largest multi-family developer, ICO. Oliver graduated from Brigham Young University, obtaining a Bachelor of Science in Finance.

WYLIE KIMBALL – INVESTMENT ANALYST

Wylie joined the SITFO team in December 2024 to support analyst and research activities as an Analyst Intern. Prior to working with SITFO, Wylie spearheaded the K-12 operations and distribution efforts for Utah Refugee Connection, a local non-profit assisting local refugee, asylee, and other sponsored immigrant groups. There, his work was largely focused on the strategic implementation and administration of both monetary and in-kind donations to partner organizations. Prior to his non-profit work, Wylie worked as an Investment Analyst for Investable, a startup venture capital firm, where he supported managers in performing due diligence through various data collection and analysis procedures. He was also responsible for capital road-mapping efforts to ensure post-investment success. Wylie Graduated from the University of Utah with a Bachelor's degree in Economics and a minor in Documentary Studies.



RODNEY TRAN – INVESTMENT ANALYST

Rodney was brought onboard to SITFO in 2024 to support in the evaluation, due diligence, and ongoing monitoring of investments. Prior to joining SITFO, he was an Investment Analyst Intern at Utah Retirement Systems. Rodney earned a Bachelor of Science in Finance and Management with minors in Data Analytics and MIS from Utah State University and a Master of Science in Finance degree from the University of Utah.

RAINEY CORNABY – SENIOR FINANCE AND OPERATIONS ANALYST

In 2024 Rainey was added to the SITFO team to support portfolio finance and office operations. Prior to joining SITFO she worked for Utah-based technology companies, Pluralsight and RedIQ, gaining experience in business strategy, data analytics, and operations optimization. Additionally, Rainey spent time working for venture capital firm, Impression Ventures, where she applied her analytical skills to aid in investment decisions. Rainey holds a Bachelors of Science from Emory University, and a Masters of Business Administration from the University of Utah David Eccles School of Business.

TATIANA DEVKOTA – FINANCE AND OPERATIONS ANALYST

Tatiana joined SITFO in 2021 to assist in portfolio finance and operations. She previously worked in finance operations at Goldman Sachs in support of client on-boarding, KYC (know your customer), and anti-money laundering initiatives. Prior to that, Tatiana worked in non-profit fundraising for the University of Utah and People Helping People. Tatiana holds a Bachelor of Arts in Political Science and a Minor in Public Policy from Georgia State University.

JESS ROWE – ADMINISTRATIVE ASSISTANT

Jess joined the team in 2024 to support office operations and administration. Prior to working at SITFO, she worked as a Customer Experience Specialist and Leasing Agent for Cottonwood Residential where she honed her office and people management skills. Jess graduated from Brigham Young University with her Bachelors of Science from the Marriott School of Business in Experience Design and Management. The major combines human psychology, intentional design, and business principles to maximize customer, employee, and other stakeholder experiences. She also has a minor in Family Life.

In addition to the investment professionals at SITFO, the Board retains institutional investment consultants to work with the Board and SITFO staff to develop and implement the agency's investment program. Additional third-party providers are utilized as part of the institutional framework necessary for managing the trusts.



INVESTMENT & RISK CONSULTANTS – *RVK and Albourne*

RVK and Albourne were hired in 2020 to assist with all aspects of SITFO's activities. RVK is a generalist consultant providing support and services in areas ranging from governance, asset allocation, and manager research. Albourne is a specialist consultant providing support in areas such as legal due diligence and back office support. Each firm is a top-rated consultant with global resources and capabilities.

INDEPENDENT RESEARCH AND DATA – *Bloomberg, eVestment, BCA, NDR, Hamilton Lane, Top Down*

These partners and advisors facilitate the provision of raw data as well as its objective interpretation.

FUND MANAGERS – *Strategy Specific Investment Advisory Relationships*

The buying and selling of individual securities is carried out by best in class, specialized, investment managers. These investment managers are highly scrutinized before and after selection.

CUSTODIAN BANK – *Northern Trust*

Northern Trust is one of the largest global custodian banks. They were hired in 2016 to institutionalize custody of assets and to provide an independent accounting of the trusts.

RISK MANAGEMENT – *Venn, Bloomberg, FOS, and internal tools*

SITFO avails itself of software services such as Venn and Bloomberg to provide quantitative risk management analysis. In addition, SITFO utilizes its independent consultants' tools and staff to provide performance analysis and contribute to risk reporting.



MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the State of Utah, School and Institutional Trust Funds Office (SITFO), provides a detailed overview of the financial position as of June 30, 2025, and the financial activities for the fiscal year ended on that date. This discussion and analysis seeks to enhance the reader's understanding of the Fund's financial activities and overall position. The management has prepared the accompanying financial statements and related footnotes, along with this MD&A, in accordance with generally accepted accounting principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB). Readers are encouraged to review this MD&A in conjunction with the accompanying financial statements and notes to gain a comprehensive understanding of SITFO's financial performance and position.

Policy Developments

SITFO, alongside the Treasurer's Office, TLA, the Protection and Advocacy Office, as well as the state legislature and other stakeholders, successfully worked to get a constitutional amendment passed that increases the cap on the annual distribution from 4% to 5%. Increasing the cap will provide greater benefits across generations to meet requirements of both statutes and best practices for intergenerational equity.

Financial Highlights for FY 2025

Fiscal year 2025 was a strong year for the portfolio with a total return of 10.85% and excess performance of 202 basis points above the benchmark and 306 basis points versus the investment objective of CPI+5%.

The Growth category, including public equity and private equity, had strong absolute performance with private equity significantly outpacing its benchmark. Real Assets and Income were important diversifiers and strong sources of outperformance relative to the benchmark and investment objective. The weakest contribution was from the Defensive category with negative absolute and benchmark relative performance. While its returns were once disappointing in isolation, the Defensive category plays an important role in protecting the corpus and is not expected to be a significant contributor to the portfolio's absolute returns during periods when all other categories of the portfolio are at or near record-highs.



Figure 3: Annualized Returns by Beneficiary by Fiscal Year

Trusts	Market Value		Annualized Returns (as of June 30, 2025)			
	June 30, 2025	June 30, 2024	FY 25	3Y	5Y	10Y
School Fund	\$ 3,747,683,036	\$ 3,396,944,915	10.85%	8.74%	9.79%	6.42%
Utah State University	\$ 30,828,776	\$ 25,983,564	10.85%	8.70%	9.67%	6.28%
Deaf School Fund	\$ 5,730,264	\$ 4,963,284	10.86%	8.73%	9.79%	6.09%
Institute for the Blind	\$ 27,672,679	\$ 25,520,116	10.85%	8.75%	9.80%	6.16%
Industrial School	\$ 12,163,794	\$ 9,940,590	10.86%	8.79%	9.82%	6.11%
Normal School	\$ 10,572,195	\$ 9,434,221	10.84%	8.74%	9.79%	6.14%
Reservoirs Fund	\$ 29,214,068	\$ 24,515,666	10.86%	8.75%	9.80%	6.12%
Utah State Hospital	\$ 11,895,253	\$ 10,114,177	10.86%	8.73%	9.79%	6.07%
School of Mines	\$ 31,017,378	\$ 27,889,477	10.85%	8.78%	9.79%	6.10%
University of Utah	\$ 16,226,618	\$ 14,239,834	10.86%	8.74%	9.79%	6.34%
Miners Hospital	\$ 116,725,614	\$ 99,674,723	10.86%	8.74%	9.79%	6.00%
Investment Objective			FY 25	3Y	5Y	10Y
Inflation (CPI) + 5%			7.79%	8.00%	9.79%	8.20%

Note: Investment Rates of Return and Benchmark Returns are as reported by FOS.

Longer-term, SITFO’s 5-year return of 9.8% is above the benchmark by 100 basis points and 1 basis point higher than the investment objective of CPI + 5%. Inflation is moderating, and recent portfolio performance has strongly outpaced CPI+5%, but the recent bout of high inflation continues to have a strong influence in the calculation of the long-term investment objective. The market value of the trusts is increasing as well, in part due to strong contributions from TLA, with the current value of the combined trusts above \$4B.

Figure 4: Rolling 5-Year Performance vs. Investment Objective





Figure 4 displays the rolling 5-year performance of the trusts and highlights the cyclical nature of investing and the recent impact of rising inflation which challenged markets and the lingering impacts these have on performance across public and private markets. Long-term investing requires patience during periods of underperformance. Importantly, our objectives are best considered over an investment cycle and with the full context of the long-term investment program.

Contributions to the trusts (proceeds from TLA) for prior and current fiscal years are shown in Figure 5.

Figure 5: TLA Contributions to the Trusts

Trusts	FY 25	FY 24
School Fund	\$ 110,891,426	\$ 153,562,261
Utah State University	\$ 2,338,525	\$ 6,221,440
Deaf School Fund	\$ 302,453	\$ 865,557
Institute for the Blind	\$ 362,048	\$ 480,110
Industrial School	\$ 1,266,287	\$ 3,679,181
Normal School	\$ 477,888	\$ 189,119
Reservoirs Fund	\$ 2,520,431	\$ 1,118,497
Utah State Hospital	\$ 860,694	\$ 2,582,406
School of Mines	\$ 523,285	\$ 16,342,845
University of Utah	\$ 799,592	\$ 1,018,941
Miners Hospital	\$ 7,250,605	\$ 11,190,119

Distributions from trusts to their respective beneficiaries (proceeds from SITFO) are shown in Figure 6.

Figure 6: Distributions to the Beneficiaries

Beneficiaries	FY 25	FY 24
School Fund	\$ 111,314,466	\$ 106,221,909
Utah State University	\$ 497,867	\$ 348,830
Deaf School Fund	\$ 139,081	\$ 123,257
Institute for the Blind	\$ 920,178	\$ 894,409
Industrial School	\$ 148,111	\$ 89,227
Normal School	\$ 313,596	\$ 286,037
Reservoirs Fund	\$ 591,915	\$ 467,501
Utah State Hospital	\$ 249,378	\$ 206,900
School of Mines	\$ 380,376	\$ 263,819
University of Utah	\$ 409,931	\$ 356,320
Miners Hospital	\$ 3,012,477	\$ 2,713,785



Asset Allocation

The asset allocation optimizes the expected return relative to the level of risk the Board of Trustees views as acceptable. Given the long-term horizon of the trusts, use of third-party consultants, and sophistication of the staff and Board of Trustees, the trusts are investing in alternative strategies and private markets. A detailed breakout of the interim asset allocation is shown in Figure 7.

Figure 7: Asset Allocation

Asset Classes	Interim Target (%)	June 30, 2025 (%)
Growth	45.00	46.13
Public Equity	32.00	31.62
Private Equity	13.00	14.51
Real Assets	17.25	14.53
Public Real Assets	5.75	4.99
Private Real Assets	11.50	9.54
Income	27.75	25.60
Public Income	18.25	17.12
Private Income	9.50	8.48
Defensive	10.00	13.66
Duration	3.00	2.74
Convexity	7.00	6.08
Cash	0.00	4.84

Note: Numbers may not sum due to the impact of rounding.

Although the Board of Trustees adopted a long-term asset allocation, the portfolio is managed to an interim target as the private market investments draw down capital over several years. As the portfolio matures, the interim target allocation moves closer to the long-term asset allocation. As of June 30, 2025, 32.53% of the total portfolio is invested in illiquid or private assets relative to a long-term target of 40%.

The portfolio continues to progress towards interim target allocation ranges. The underweight to the Growth category and overweight to Real Assets are primarily driven by the relative performance of public to private assets.



Condensed comparative data of the Trust Funds' financial position is shown in Figure 8.

Figure 8: Condensed Comparative Data

	FY 25		FY 24	
Total Assets	\$	4,208,497,908	\$	3,738,522,337
Total Liabilities	\$	155,209,123	\$	81,966,085
Total Fund Balances/Net Position	\$	4,053,288,785	\$	3,656,556,252
Total Revenues	\$	520,978,145	\$	553,155,762
Total Expenditures	\$	6,268,237	\$	5,835,162
Distributions to Beneficiaries	\$	117,977,375	\$	111,971,993
Net Changes in Fund Balances	\$	396,732,533	\$	435,348,607

Using the Financial Statements

The financial statements contained within this annual report are carefully organized to provide a comprehensive understanding of the fund's financial status and performance. The statements include: a Balance Sheet and Statement of Net Position; a Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances; and Statement of Governmental Activities. Accompanying notes provide essential context, including the history and purpose of the SITFO office, key accounting policies, investment specifics, and other critical information necessary for interpreting the financial position of the funds. Additionally, the statements offer insights into SITFO's expenditures, weighted investment returns categorized by beneficiary, investment returns by thematic strategies, and a breakdown of brokerage commissions. Together, these elements are designed to give readers a clear and thorough understanding of SITFO's financial activities and stewardship of the funds.

Final Remarks

We would like to extend our gratitude to all those who support SITFO's mission. While it is not possible to name everyone individually, we especially acknowledge the significant contributions of the Board of Trustees, the State Treasurer's Office, the School Children's Trust Section, and the Protection and Advocacy Office, as well as the many legislators and professionals across state government and within the education sector. Your dedication and collaboration have been instrumental to our progress, and we are deeply grateful. We look forward to continuing our shared efforts to secure and strengthen the trusts, ensuring a lasting benefit for the generations to come.

With appreciation,

The SITFO Team



STATE OF UTAH, SCHOOL AND INSTITUTIONAL TRUST FUNDS

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025



Trust Lands Permanent Fund Combined

Governmental Balance Sheet and Statement of Net Position

Assets

Cash with the State Treasurer	\$	1,021,252
Investments, at Fair Value		3,992,808,916
Invested Securities Lending Collateral		48,974,150
Receivable for Unsettled Trades		152,261,309
Prepaid Expenses		485,751
Prepaid Operating Expenses		644,353
Net Income Receivable from TLA		12,302,177
Total Assets	\$	4,208,497,908

Liabilities

Securities Lending Liability		48,974,150
Other Payables		99,736,210
Accrued Interest and Dividends Payable		6,090,093
Operating Expense Payable		408,670
Total Liabilities		155,209,123

Fund Balances

Nonspendable - Permanent Funds	\$	2,451,797,771
Restricted - Earnings Reserve		1,601,491,015
Total Fund Balances		4,053,288,785
Total Liabilities and Fund Balances	\$	4,208,497,908

Statement of Net Position

Restricted for Permanent Trust - Nonexpendable	\$	2,451,797,771
Restricted for Permanent Trust - Expendable		1,601,491,015
Total Net Position	\$	4,053,288,785

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

See Notes to Financial Statements



Trust Lands Permanent Fund Combined

Governmental Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances and Statement of Governmental Activities

Revenues

Receipts from Trust Lands Administration	\$	127,593,234
Reinvested Gains		1,400,000
Earnings on Investments		391,984,911
Total Revenues		520,978,145

Expenditures

Fund Operating Expenses		6,268,237
Total Expenditures		6,268,237

Revenues over Expenditures 514,709,908

Other Financing Uses

Distributions to Beneficiaries		117,977,375
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Net Change in Fund Balance 396,732,533

Fund Balances - Beginning of Year 3,656,556,252

Fund Balances - End of Year \$ 4,053,288,785

There were no expenses which do not require the use of current financial resources.

The amount for the Change in Net Position (shown below) is the same amount shown above in the Governmental Statement of Expenditures

Change in Net Position-Government Activities \$ 396,732,533

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to rounding.

See Notes to Financial Statements



Notes to the Financial Statements

Note 1 – General Description of the Trust Funds

The School and Institutional Trust Funds Office (SITFO) is charged with the administration and investment of the State of Utah, School and Institutional Trust Funds (the Trust Funds). The Trust Funds stem from the State of Utah's Enabling Act in 1894, which provided the support of public schools and other institutions from lands granted by the federal government at statehood. Expenditures were limited to interest for the School Trust Fund. In 1994, the Trust Lands Administration (TLA) was formed within statutes to administer the lands and investments that were taken into the Office of the State Treasurer. In 2002, the Utah Constitution was amended within Article X, Section 5 to provide for expenditures of Interest and Dividends.

In 2014, through HB 168 (2014 GS) the Utah State Legislature enacted the School and Institutional Trust Fund Management Act which created SITFO as an independent agency within the state government. SITFO has a five-person board of trustees with the State Treasurer as Chairperson. The trustees are experienced investment professionals nominated via a robust and independent process outlined in statute. SITFO's purpose is to invest the funds received from TLA for the sole benefit of their respective beneficiaries. While the trust funds are owned by different underlying beneficiaries, they are managed with a similar asset allocation, as the return and risk objectives are expected to be similar.

In 2016, SITFO retained a custodial and fund accounting agent (Northern Trust) to facilitate the implementation of a new pooled investment structure to provide for unified investment of the trust fund assets, although each beneficiary retains an independent ownership interest in the trust fund and such holdings remain independent trust entities. The pooled structure was implemented on November 1, 2016. In 2016, the Utah Constitution was again amended (Amendment B) within Article X, Section 5 to permit expenditure of earnings.

Earnings received from TLA derived from the sale and/or lease of lands (and all net revenue for the School Fund) are deposited into trust funds held for the benefit of the 11 beneficiaries as follows:

- School Fund
- Utah State University
- Deaf School
- Institute for the Blind
- Industrial School
- Normal School
- Reservoirs Fund
- Utah State Hospital
- School of Mines
- University of Utah
- Miners Hospital



Trust funds are considered part of the State of Utah's financial reporting entity and are included in the State's Annual Comprehensive Financial Report (ACFR). The trust funds are invested according to an investment policy established by SITFO. This investment policy is subject to all applicable state and national laws. Specific laws of the State of Utah for reference include Utah Code Title 53D, Chapter 1; Utah Code 63G-6a-107.6 Part 1; Utah Code 63E-1-102; Utah Code 53C-3-102; and State of Utah Constitution Article VI, Section 29 and Article X, Sections 5 and 7.

SITFO has no jurisdiction over assets held by TLA or other agencies; therefore, trust funds give accounting recognition only when a transaction related to land assets has been completed by TLA for deposit into the trust funds.

SITFO employs external investment managers for the management of the trust funds.



Note 2 – Contingencies

The Utah School Bond Guaranty Act (Utah Code Sections 53G-4-801 to 808), which took effect on January 1, 1997, pledges the full faith, credit and unlimited taxing power of the State to guarantee full and timely payment of the principal and interest on general obligation bonds issued by qualifying local school boards. The primary purpose of the Guaranty Act is to reduce borrowing costs for local school boards by providing credit enhancement for Guaranteed Bonds. The local school boards do not meet the criteria for inclusion as part of the State's reporting entity.

In the event a school board is unable to make the scheduled debt service payments on its Guaranteed Bonds, the State is required to make such payments in a timely manner. For this purpose, the State may use any available monies, may use short-term borrowing from the State Permanent School Fund (part of the permanent Trust Lands Fund), or may issue short-term general obligation notes. The local school board remains liable to the State for any such payments on Guaranteed Bonds. Reimbursements to the State may be obtained by intercepting payment of state funds intended for the local school board. The State may also compel the local school board to levy a tax sufficient to reimburse the State for any guaranty payments.

The State Superintendent of Public Instruction is charged with monitoring the financial condition of local school boards and reporting, at least annually, its conclusions to the Governor, the Legislature and the State Treasurer. The State Superintendent must report immediately any circumstances which suggest a local school board may not be able to pay its debt service obligations when due. The State has not advanced any monies for the payment of debt service on Guaranteed Bonds and does not expect that it will be required to advance monies for any significant period of time.

Local school boards have \$3.5 billion principal amount of Guaranteed Bonds outstanding at June 30, 2025 with the last maturity date being 2045. The State cannot predict the amount of bonds that may be guaranteed in future years, but no limitation is currently imposed by the Guaranty Act.



Note 3 – Summary of Significant Accounting Policies

Financial Reporting Entity

The financial statements include all funds for which SITFO is financially accountable, i.e., the Trust Fund investments of the Beneficiary Trust Funds of the State of Utah and are prepared in accordance with the Governmental Accounting Standards Board ("GASB") pronouncements.

The Trust Funds are part of the State of Utah reporting entity based on certain GASB criteria. These Statements present only the Trust Funds and are not intended to present the financial position and results of operations of the State of Utah in conformity with generally accepted accounting principles in the United States of America.

Basis of Presentation

The Trust Funds are accounted for and reported as a Permanent Fund as defined by GASB and use the modified accrual basis of accounting which approximates full accrual. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred. The statement of net position and the statement of activities display information about the Trust Funds and include the financial activity of the overall reporting entity on a full accrual basis. These statements report all activities of the Trust Funds as a governmental type of activity. Given the type of assets and liabilities held by the Trust Funds, there are no adjustments required to convert from modified accrual basis to full accrual basis as required by GASB.

Expendable and Nonexpendable Net Position

The net position of the Restricted Funds is the expendable assets of the endowment funds. These expendable assets are used for distributions to the beneficiaries and distributions for expenses of SITFO. The net position for the Permanent Funds is the nonexpendable assets as per the Enabling Act.

Cash with the State Treasurer

The Utah State Treasurer's Office operates the Public Treasurers' Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act (Utah Code, Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.



The PTIF operates and reports to participants on an amortized cost basis. The income, gains and losses of the PTIF, net of administration fees, are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Receivable for Unsettled Trades

Receivables from brokers, dealers and clearing organizations include amounts receivable for securities not delivered by the company to the purchaser by the settlement date and margin deposits.

Prepaid Operating Expenses

Operating expenses that were prepaid during the fiscal year toward expenses incurred the following fiscal year.

Net Income Receivable from TLA

Contributions to the trusts from Trust Lands Administration (TLA) that are earned during the fiscal year but deposited in the next fiscal year.

Other Payables

Other payables represent payables associated with pending sales / exchange activity between investment funds with a final recognition date and cash settlement that was delayed until after the date of these statements.

Operating Expense Payable

Expenses that were incurred during the fiscal year for which no invoices had yet been received are considered operating expense payable.

Accrued Interest and Dividends Payable

This liability represents income earned by investors or beneficiaries but not yet distributed as of the reporting date.

Cash Equivalents

Treasury bills, money market funds, short-term investment funds, commercial paper, banker's acceptances, repurchase agreements and certificates of deposit are considered cash equivalents.



Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investments

According to policies established by the SITFO Board of Trustees and Utah Code Title 53D Chapter 1, Part 6, Section 601, SITFO is authorized to invest the Trust Funds. This Title states in part, "Board members, the director and office staff shall act in the best interests of the beneficiaries and comply with the duty of undivided loyalty to the beneficiaries... A person who manages and invests trust fund money or assets shall... manage and invest in good faith and with the care a prudent professional in a like position would exercise under similar circumstances" (Utah Code Title 53D Chapter 1, Part 6, Section 601).

In accordance with this Title, the Board of Trustees has developed an Investment Policy Statement guided by a Statement of Investment Beliefs which contains target allocation levels with an associated minimum and maximum range. The current strategic asset allocation is structured by investment thematics, as follows:

Growth (target 45% / range from 40%-50%)

Investments expected to provide the strongest positive returns during periods of sustained economic growth, as well as presenting the highest expected risk (e.g., stocks, private equity).

Specific sub-component targets include:

1) Public Equity (target 32% / range from 26%-37%)

2) Private Equity (target 13% / range from 8%-19%)

Real Assets (target 17.25% / range from 12.25%-22.25%)

Investments that have the advantage of being linked to inflation and typically backed by hard assets (e.g., real estate, infrastructure, commodities, etc.). Real Asset investments present characteristics of income as well as price appreciation and thus have a moderate risk profile (e.g., commercial real estate, natural resources).

Specific sub-component targets include:

1) Public Real Assets (target 5.75% / range .75%-8.75%)

2) Private Real Assets (target 11.5% / range 8.5%-16.5%)



Income (target 27.75% / range from 22.75%-32.75%)

Investments expected to generate positive returns during economic growth scenarios through an income stream – an important component of total return for the overall portfolio in periods of less robust economic growth – and does not present as much risk as Growth although is still considered a risk-taking investment (e.g., corporate bonds, asset backed securities).

Specific sub-component targets include:

1) Public Income (target 18.25% / range from 13.25%-21.25%)

2) Private Income (target 9.5% / range 6.5%-14.5%)

Defensive (target 10% / range from 5%-15%)

Investments intended to do well in negative economic scenarios or periods of market stress which may include such investments as cash, government bonds and hedging strategies.

Specific sub-component targets include:

1) Duration (target 3% / range 0%-6%)

2) Convexity (target 7% / range 3%-11%)

3) Cash (target 0% / range 0%-3%)

Investment securities are stated at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date. Purchase and sale transactions are recorded on the trade date.



Note 4 – Schedule of Fund Investments (Cost and Fair Value)

The following depicts investments (cost and fair value) by SITFO allocation category at June 30, 2025.

	Cost	Fair Value with Accruals
Growth	\$ 1,476,199,791	\$ 1,864,345,205
Real Assets	512,276,601	612,205,140
Income	837,005,874	1,038,617,272
Defensive	529,542,146	524,562,056
Total Fund Investments	\$3,355,024,413	\$ 4,039,729,673
Receivable for Unsettled Trades		(152,261,309)
Prepaid Expenses		(485,751)
Other Payables		99,736,210
Accrued Interest and Dividends Payable		6,090,093
Grand Total	\$3,355,024,413	\$ 3,992,808,916

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Note 5 – Fair Value of Investments

The Trust Funds measure and record investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted Prices in Active Markets for Identical Assets
- Level 2: Significant Other Observable Inputs; and,
- Level 3: Significant Unobservable Inputs.

At June 30, 2025 the Trust Funds had the following recurring fair value measurements:

Assets at Fair Value as of June 30, 2025

	Total	Level 1	Level 2	Level 3
Growth				
Public Equity	\$ 790,080,721	\$ 790,103,944	\$ (139,213)	\$ 115,990
Private Equity	(1,463)	-	(1,463)	-
Total Growth	790,079,258	790,103,944	(140,676)	115,990
Real Assets				
Public Real Assets	157,126,671	154,228,628	2,898,043	-
Private Real Assets	-	-	-	-
Total Real Assets	157,126,671	154,228,628	2,898,043	-
Income				
Public Income	237,879,066	158,405,332	79,447,518	26,215
Private Income	1,063,047	-	(56,953)	1,120,000
Total Income	238,942,113	158,405,332	79,390,565	1,146,215
Defensive				
Duration	110,553,721	110,489,911	63,810	-
Convexity	-	-	-	-
Cash	168,095,852	118,161,753	49,934,099	-
Total Defensive	278,649,573	228,651,663	49,997,909	-
Level	\$ 1,464,797,615	\$ 1,331,389,568	\$ 132,145,842	\$ 1,262,205

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Investments Measured at Net Asset Value as of June 30, 2025

Growth		6/30/2025
Public Equity	\$	487,666,348
Private Equity		586,599,600
Real Assets		
Public Real Assets		69,490,110
Private Real Assets		385,588,358
Income		
Public Income		458,113,821
Private Income		341,561,338
Defensive		
Duration		-
Convexity		245,912,483
Cash		-
Total Investments Measured at Net Asset Value		2,574,932,058
Total Investments Measured at Fair Value	\$	4,039,729,673

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

Securities (cash, debt and equity securities, including registered investment companies / mutual funds with daily liquidity holding such securities) in the Investment Thematic categories classified in Level 1 are valued using prices quoted in active markets for those securities.

Securities (debt and equity securities, including derivative securities and the Trust Funds' proportionate share of securities held in commingled vehicles with regular liquidity which hold such securities) in the Investment Thematic categories classified in Level 2 are valued using the following approaches: Mid Evaluation, Bid Evaluation and Theory (a theoretical price calculated by applying a standardized formula to derive a price from a related security).

Securities (debt and equity securities, including derivative securities and the Trust Funds' proportionate share of securities held in commingled vehicles with regular liquidity holding such securities) in the Investment Thematic categories classified in Level 3 are valued using the following approaches: Bid Evaluation and other pricing indications which may be unobservable or with limited volume. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Debt securities classified in Level 3 are valued and priced using proprietary information, single source pricing and/or



may have nominal value. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. The Trust Funds have determined the fair value of these investments using the NAV per share of the investments (or its equivalent) as reported in current period audited statements of the manager, prior period audited statements of the manager adjusted for subsequent calls and distributions, current period unaudited statements or estimates provided by the underlying investments using recent observable transaction information for similar investments. The objectives and valuation approach for investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are more fully described below.

The following table presents the unfunded commitments, redemption frequency (if currently eligible) and the redemption notice period for the Entity's alternative investments measured at NAV:

Investments by SITFO Allocation Category	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice
Growth				
Public Equity	487,666,348	-	Daily - 90 Days	1 - 90 Days
Private Equity	586,599,600	256,837,509	Limited	N/A
Total Growth	\$ 1,074,265,948	\$ 256,837,509		
Real Assets				
Public Real Assets	69,490,110	8,458,521	90 Days, Limited	90 Days, N/A
Private Real Assets	385,588,358	178,159,046	Limited	N/A
Total Real Assets	\$ 455,078,468	\$ 186,617,567		
Income				
Public Income	458,113,821	8,458,904	30 - 183 Days, Limited	15 - 180 Days, N/A
Private Income	341,561,338	211,230,376	Limited	N/A
Total Income	\$ 799,675,159	\$ 219,689,279		
Defensive				
Duration	-	-	Daily	1 Day
Convexity	245,912,483	-	1 - 92 Days	1 - 45 Days
Cash	-	-	Daily	1 Day
Total Defensive	\$ 245,912,483	\$ -		
Total	\$ 2,574,932,058	\$ 663,144,356		

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



The description of underlying holdings and valuation methodologies for investments measured at net asset value, detailed above, are described further as follows:

Growth – Public Equity

Consists of eight (8) investments in hedge funds with equity investments, one (1) investment in units of a pooled investment fund, and one (1) investment in a venture capital partnership. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Trust Funds' investments held or ownership interest in partners' capital.

Growth – Private Equity

Consists of ninety two (92) investments in private equity limited partnerships. Generally speaking, the types of strategies included in this portfolio include venture capital, growth equity, opportunistic real estate equity, buyouts, secondaries and special situations. These investment commitments were made in 2016 onwards and have an approximate life in excess of 10 years and are considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnership, distributions are received as underlying partnership investments are realized. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2025, it is probable that all the investments in this type would be sold at an amount different from the NAV per share (or its equivalent) of the Trust Funds ownership interest in partners' capital.

Real Assets – Public Real Assets

Consists of two (2) investments in a limited partnership. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the Trust Funds' investments ownership interest in partners' capital.

Real Assets – Private Real Assets

Consists of thirteen (13) investments in private real estate limited partnerships and thirty six (36) investments in limited partnerships. Generally speaking, the types of strategies included in this portfolio include core, value added and opportunistic property interests. These investment commitments were made over a period ranging from 2008 onwards and have an approximate life in excess of 10 years and are therefore considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnership, distributions are received as underlying partnership investments are realized. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2025, it is probable that all the investments in this type would be sold at an amount different from the NAV per share (or its equivalent) of the Trust Funds' ownership interest in partners' capital.



Income – Public Income

Consists of ten (10) investments in limited partnerships with underlying insurance linked securities investments and associated strategies and twenty three (23) investments in pooled investment funds . The fair value of the investment in this type have been determined using the NAV per share (or its equivalent) of the Trust Funds' ownership interest in partners' capital.

Income – Private Income

Consists of forty four (44) investments in limited partnerships. Generally speaking, the types of strategies included in this portfolio include securitized credit, asset backed/collateralized loan obligation, mezzanine debt and equity, distressed debt/special situations, co-investments and related investments. These investment commitments were made over a period ranging from 2016 onwards and have an approximate life, including lock-ups of three to nearly ten years and are therefore considered illiquid. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2025, it is probable that all the investments in this type would be sold at an amount different from the NAV per share (or its equivalent) of the Trust Funds' ownership interest in partners' capital.

Defensive – Convexity

Consists of fourteen (14) investment in hedge funds with underlying investments in Commodity Trading Advisor/ Convexity and associated investment strategies. The fair values of the investments in this type has been determined using the NAV per share (or its equivalent) of the Trust Funds' investments held or ownership interest in partners' capital.



Note 6 – Unfunded Commitments

As of June 30, 2025, the Trust Funds had contractual commitments of \$2,168,035,185 to one hundred ninety-two (192) investments across Public and Private Income, Real Estate, and Equity.

Of this amount, an estimated \$663,144,356 remained unfunded and subject to call by the funds.

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Note 7 – Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. SITFO manages the Trust Funds' exposure to fair value loss arising from increasing interest rates through prudent deployment, management, and oversight of investments with exposure to interest rate sensitivity. SITFO does not have a formal policy for interest rate risk.

As of June 30, 2025, the Trust Funds' debt security investments (including the underlying portfolios of indirectly held investments, where available) had the following weighted average maturities:

Investment Category	Total Fair Value	Weighted Average Maturity (Years)
Bank Loans	\$ 7,389,393	5
Commercial Mortgage-Backed	77,673	5
Corporate Bonds	67,494,811	4
Corporate Convertible Bonds	1,123,717	24
Funds - Corporate Bond	50,719,826	5
Funds - Other Fixed Income	66,471,819	4
Funds - Short Term Investment	113,772,193	1
Government Bonds	110,481,436	25
Other Fixed Income	614,812	0
Total	\$ 418,145,679	9

Note: As of June 30, 2025, the Trust Funds held \$209,978,342.25 in nineteen investments with a fixed income (or related) investment emphasis for which Weighted Average Maturity details were unavailable and not evaluated. These investments included Bank Loan investment funds with other assets held, and hedge fund strategies.

Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Note 8 – Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. SITFO manages the Trust Funds' exposure to fair value loss arising from credit risk through prudent deployment, management, and oversight of investments. SITFO does not have a formal policy for credit risk.

As of June 30, 2025, the fair value of the Trust Funds' debt security investments with exposure to credit risk had the following credit quality ratings (S&P rating is primary, if not available or not rated by S&P, corresponding Moody's rating is substituted).

Credit Quality	Total Fair Value	Bank Loans	Commercial Mortgage-Backed	Corporate Bonds	Corporate Convertible Bonds	Funds - Corporate Bonds	Funds - Short Term Investment	Funds - Other Fixed Income	Government Bonds	Other Fixed Income
AA-	\$ 151,570	-	-	151,570	-	-	-	-	-	-
A+	\$ 22,308	-	-	22,308	-	-	-	-	-	-
A	\$ -	-	-	-	-	-	-	-	-	-
A-	\$ 105,236	-	-	105,236	-	-	-	-	-	-
BBB+	\$ 637,135	-	-	637,135	-	-	-	-	-	-
BBB	\$ 610,256	-	-	610,256	-	-	-	-	-	-
BBB-	\$ 4,883,686	-	77,673	4,102,841	703,172	-	-	-	-	-
BB+	\$ 7,308,286	-	-	7,308,286	-	-	-	-	-	-
BB	\$ 8,350,088	334,606	-	8,015,482	-	-	-	-	-	-
BB-	\$ 8,747,407	663,739	-	7,706,677	376,990	-	-	-	-	-
B+	\$ 14,380,211	1,789,287	-	12,590,923	-	-	-	-	-	-
B	\$ 12,484,770	1,809,480	-	10,675,290	-	-	-	-	-	-
B-	\$ 7,569,368	770,664	-	6,798,704	-	-	-	-	-	-
CCC+	\$ 5,412,178	-	-	5,412,178	-	-	-	-	-	-
CCC	\$ 1,861,303	-	-	1,861,303	-	-	-	-	-	-
D	\$ 37,500	-	-	37,500	-	-	-	-	-	-
NR	\$ 235,102,942	2,021,616	-	1,459,121	43,555	50,719,826	113,772,193	66,471,819	-	614,812
*TSY		-	-	-	-	-	-	-	110,481,436	-
Subtotal	307,664,243	7,389,393	77,673	67,494,811	1,123,717	50,719,826	113,772,193	66,471,819	110,481,436	614,812
U.S. Treasuries	110,481,436									
Total debt securities investments	\$ 418,145,679									

Note: As of June 30, 2025 the Trust Funds held \$74,781,284 in the Northern Trust Institutional Funds Treasury Portfolio - Premier Class, and AAAM rated money market fund.

Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Note 9 – Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. SITFO manages the Trust Funds' exposure to fair value loss arising from concentrations of credit risk through prudent deployment, management, and oversight of investments. SITFO does not have a formal policy for concentrations of credit risk.

As of June 30, 2025, the Trust Funds did not hold any credit positions exceeding 5% of the total portfolio.



Note 10 – Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Trust Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. SITFO does not have a formal policy for custodial credit risk. Investments are registered investments or held by SITFO for the Trust Funds, or by SITFO's agent in the Trust Funds' name. The State Treasurer is the custodian of investments of the Trust Funds, and the investments are held under a custodial safekeeping agreement with the Northern Trust Company.

As of June 30, 2025, the data below represents the investments, including accrued income/expense, that have custodial credit risk.

Type of Investment	Fair Value
Cash and Cash Equivalents	\$ 1,472,630

The \$1,472,630 frictional cash and cash equivalents subject to custodial credit risk are in foreign banks in the Trust Funds' name. Because it is in foreign banks, it is subject to custodial credit risk. The Trust Funds do not have an investment policy regarding custodial credit risk for frictional cash in foreign banks.

Type of Investment	Fair Value
Other Assets	\$ 708,200,349

As of June 30, 2025, the \$708,200,349 other assets represent the investments, including accrued income/expense, that have custodial credit risk which has not been determined.

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Note 11 – Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. SITFO manages the Trust Funds' exposure to fair value loss arising from foreign currency risk through prudent deployment, management, and oversight of investments. SITFO does not have a formal policy for foreign currency risk.

The Trust Funds' exposure to foreign currency (inclusive of pending foreign exchange purchases and sales) as of June 30, 2025 is as follows:

Currency	Alternative Investments	Debt	Short Term	Equity	Total
Australian dollar	\$ -	\$ -	\$ 6,895	\$ 13,815,757	\$ 13,822,651
British pound sterling	5,734,630	146,264	(87,895)	12,820,240	18,613,239
Canadian dollar	-	-	867,861	2,744,513	3,612,374
Chinese yuan renminbi	-	-	188,087	5,874,170	6,062,256
Danish krone	-	-	74,738	5,265,715	5,340,453
Euro	121,047,485	394,813	337,826	50,905,813	172,685,937
HK offshore Chinese Yuan Renminbi	-	-	191,047	3,070,576	3,261,623
Hong Kong dollar	-	-	535,726	8,753,257	9,288,983
Japanese yen	-	-	288,309	16,403,277	16,691,586
New Israeli shekel	-	-	6,383	2,285,246	2,291,628
New Zealand dollar	-	-	2,880	1,144,958	1,147,838
Norwegian krone	-	-	7,398	2,762,655	2,770,053
Singapore dollar	-	-	21,171	7,865,763	7,886,934
South African rand	-	-	43	-	43
Swedish krona	-	-	173,648	5,155,508	5,329,156
Swiss franc	-	-	261,639	11,143,813	11,405,452
Total securities subject to foreign currency risk	\$ 126,782,115	\$ 541,078	\$ 2,875,755	\$ 150,011,261	\$ 280,210,208

Note: Reported figures which reflect US dollar base equivalent value as reported by the custodian as of the reporting date are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Note 12 – Derivative Financial Instruments

The Trust Funds invest in derivative financial instruments through external investment managers retained by the Board and subject to investment management agreements and other policy requirements. Derivatives are financial arrangements between two parties whose payments are based on, or “derived” from, the performance of some agreed-upon benchmark. All derivatives are considered investments. The fair value of all derivative financial instruments is reported in the Statement of Net Position. The Trust Funds do not have a formal policy for derivative financial instruments.

As of June 30, 2025, the Trust Funds had the following exposure types classified within Derivative Financial Instruments: Equity Rights/Warrants; Currency Forwards; Swaps; and Futures.

Derivative Contracts as of June 30, 2025

Risk Type	Gross Notional	Asset MV	Liability MV	Earnings
Equity Rights/Warrants	\$ 98,675	\$ 4,754	\$ -	223,986
Currency Forwards	519,609	193	(3,647)	(33,336)
Swaps	-	-	-	(18,128)
Futures	-	-	-	(7,612,940)
Total	\$ 618,284	\$ 4,948	\$ (3,647)	(7,440,419)

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

Equity Rights are rights given to existing stockholders to purchase newly issued shares in proportion to their holdings at a specific date. Equity Warrants are certificates entitling the holder to acquire shares of stock at a certain price within a stated period. Warrants often are made part of the issuance of bonds or preferred or common stock. The balances of equity rights/warrants are included in the Statements of Changes in Net Position.

Currency forwards represent forward foreign exchange contracts that are entered into in order to hedge the exposure to changes in foreign currency exchange rates on the foreign currency denominated portfolio holdings. A forward foreign exchange contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts is included in the net realized gains or losses on foreign currency related transactions in the Statements of Changes in Net Position.

Swaps represent an agreement between two or more parties to exchange sequences of cash flows over a period in the future. In the most common type of interest rate swap arrangement, one party agrees to pay fixed interest payments on designated dates to a counterparty, who in turn agrees to make return interest payments that float with some reference rate. Gains and losses on swaps are determined based on market values and are recorded in the Statements of Changes in Net Position. Swap market values are determined by an independent third party.



Futures represent a financial contract obligating the buyer to purchase an asset or the seller to sell an asset, such as a physical commodity or a financial instrument, at a predetermined future date and price. Futures contracts are valued at their last reported sales price as of measurement date and are included in the Statements of Changes in Net Position.



Note 13 – Securities Lending

GASB Statement No. 28, Accounting and Financial Reporting for Securities Lending Transactions establishes accounting and financial reporting standards for securities lending transactions. The standard requires governmental entities to report securities lent as assets in their balance sheets. Cash received as collateral and investments made with that cash must also be reported as both an asset and a liability. The statement also requires the costs of the securities lending transactions to be reported as expenses separately from income received. In addition, the statement requires disclosures about the transactions and collateral related to them.

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any accrued interest. In all cases the borrower provides more collateral than the value of securities lent. Therefore, there is no credit risk related to security lending transactions. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest.

Non-cash collateral cannot be pledged or sold unless the borrower defaults.

All securities loans can be terminated on demand by either the lender or the borrower, although the average term of State of Utah, School and Institutional Trust Funds loans was approximately 54 days as of June 30, 2025.

Cash open collateral is invested in a short term investment pool, the NT Coll SL Core S/T Inv Fund, which had an interest sensitivity of 15 days as of this statement date.

There were no violations of legal or contractual provisions, no borrower or lending agent defaults or losses known to the securities lending agent.

There are no dividends or coupon payments owing on the securities lent. Securities lending earnings are credited to participating clients on approximately the fifteenth day of the following month.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower and Northern Trust has failed to live up to its contractual responsibilities relating to the lending of those securities. Northern Trust's responsibilities include performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending.

Securities lending collateral is invested in investment pools and is not exposed to custodial credit risk.



The following represents the Trust Funds' balances related to securities lending transactions at June 30, 2025:

Security Type	Underlying Securities		Underlying Securities	
	on Loan for Cash	Cash Collateral	on Loan for Non-Cash Collateral	Non-Cash Collateral
GLOBAL Corporate Fixed	-	-	1,114,531	1,179,302
GLOBAL Equities	3,478,761	3,653,765	28,529,975	30,188,013
GLOBAL Government Fixed	-	-	1,271,868	1,345,783
US Corporate Fixed	16,281,181	16,594,964	5,564,058	5,887,417
US Equities	26,710,880	27,466,470	19,086,698	20,195,934
US Government Fixed	1,243,944	1,258,950	3,356,596	3,551,667
Total	\$ 47,714,766	\$ 48,974,150	\$ 58,923,725	\$ 62,348,115

Market Value of Securities on Loan against Cash Collateral	\$ 47,714,766
Market Value of Securities on Loan against Non-Cash Collateral	58,923,725
Total Market Value of Securities on Loan	\$ 106,638,492

*Note: *Non-cash collateral reported as a % of total non-cash collateral by asset type on loan (as opposed to reporting by the type of collateral.)*

Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



UTAH SCHOOL & INSTITUTIONAL TRUST FUNDS OFFICE

STATE OF UTAH, SCHOOL AND INSTITUTIONAL TRUST FUNDS

SUPPLEMENTAL SCHEDULES

FOR THE FISCAL YEAR ENDED JUNE 30, 2025



Trust Lands Permanent Fund Combining Schedule by Beneficiary

Governmental Balance Sheet and Statement of Net Position

Supplemental Schedule

	Beneficiary			
	School Fund	Utah State University	Deaf School	Institute for the Blind
Assets				
Cash with the State Treasurer	\$ 944,067	\$ 24,392	\$ 4,214	\$ 2,432
Investments, at Fair Value	3,704,154,349	30,470,705	5,663,707	27,351,265
Invested Securities Lending Collateral	45,433,632	373,741	69,469	335,479
Receivable for Unsettled Trades	141,253,789	1,161,966	215,979	1,043,010
Prepaid Expenses	450,635	3,707	689	3,327
Prepaid Operating Expenses	597,770	4,917	914	4,414
Net Income Receivable from TLA	11,711,931	133,110	80,117	33,238
Total Assets	3,904,546,172	32,172,539	6,035,089	28,773,166
Liabilities				
Securities Lending Liability	45,433,632	373,741	69,469	335,479
Other Payables	92,525,919	761,126	141,474	683,206
Accrued Interest and Dividends Payable	5,649,818	46,476	8,639	41,718
Operating Expense Payable	379,126	3,119	580	2,799
Total Liabilities	143,988,495	1,184,462	220,161	1,063,203
Fund Balances				
Nonspendable - Permanent Funds	\$ 2,249,846,695	\$ 24,382,335	\$ 4,255,028	\$ 14,627,071
Restricted - Earnings Reserve	1,510,710,982	6,605,742	1,559,901	13,082,892
Total Fund Balances	3,760,557,677	30,988,077	5,814,929	27,709,963
Total Liabilities and Fund Balances	\$ 3,904,546,172	\$ 32,172,539	\$ 6,035,089	\$ 28,773,166
Statement of Net Position				
Restricted for Permanent Trust - Nonexpendable	\$ 2,249,846,695	\$ 24,382,335	\$ 4,255,028	\$ 14,627,071
Restricted for Permanent Trust - Expendable	1,510,710,982	6,605,742	1,559,901	13,082,892
Total Net Position	\$ 3,760,557,677	\$ 30,988,077	\$ 5,814,929	\$ 27,709,963

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

See Notes to Financial Statements.



Trust Lands Permanent Fund Combining Schedule by Beneficiary

Governmental Balance Sheet and Statement of Net Position

Supplemental Schedule

	Beneficiary			
	Industrial School	Normal School	Reservoirs Fund	Utah State Hospital
Assets				
Cash with the State Treasurer	\$ 14,311	\$ -	\$ -	\$ 12,392
Investments, at Fair Value	12,022,514	10,449,400	28,874,752	11,757,092
Invested Securities Lending Collateral	147,463	128,168	354,166	144,208
Receivable for Unsettled Trades	458,465	398,476	1,101,106	448,344
Prepaid Expenses	1,463	1,271	3,513	1,430
Prepaid Operating Expenses	1,940	1,686	4,660	1,897
Net Income Receivable from TLA	138,730	36,335	-	75,474
Total Assets	12,784,886	11,015,337	30,338,197	12,440,837
Liabilities				
Securities Lending Liability	147,463	128,168	354,166	144,208
Other Payables	300,310	261,015	721,261	293,680
Accrued Interest and Dividends Payable	18,338	15,938	44,042	17,933
Operating Expense Payable	1,231	1,070	2,955	1,203
Total Liabilities	467,341	406,191	1,122,424	457,024
Fund Balances				
Nonspendable - Permanent Funds	\$ 9,706,182	\$ 6,920,388	\$ 22,007,873	\$ 8,531,463
Restricted - Earnings Reserve	2,611,362	3,688,758	7,207,900	3,452,350
Total Fund Balances	12,317,544	10,609,146	29,215,773	11,983,814
Total Liabilities and Fund Balances	\$ 12,784,886	\$ 11,015,337	\$ 30,338,197	\$ 12,440,837
Statement of Net Position				
Restricted for Permanent Trust - Nonexpendable	\$ 9,706,182	\$ 6,920,388	\$ 22,007,873	\$ 8,531,463
Restricted for Permanent Trust - Expendable	2,611,362	3,688,758	7,207,900	3,452,350
Total Net Position	\$ 12,317,544	\$ 10,609,146	\$ 29,215,773	\$ 11,983,814

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

See Notes to Financial Statements.



Trust Lands Permanent Fund Combining Schedule by Beneficiary

Governmental Balance Sheet and Statement of Net Position

Supplemental Schedule

	Beneficiary			
	School of Mines	University of Utah	Miners Hospital	TOTAL
Assets				
Cash with the State Treasurer	\$ 8,531	\$ 10,864	\$ 50	\$ 1,021,252
Investments, at Fair Value	30,657,117	16,038,148	115,369,866	3,992,808,916
Invested Securities Lending Collateral	376,028	196,717	1,415,079	48,974,150
Receivable for Unsettled Trades	1,169,075	611,597	4,399,501	152,261,309
Prepaid Expenses	3,730	1,951	14,035	485,751
Prepaid Operating Expenses	4,947	2,588	18,618	644,353
Net Income Receivable from TLA	-	75,014	18,228	12,302,177
Total Assets	32,219,427	16,936,880	121,235,378	4,208,497,908
Liabilities				
Securities Lending Liability	376,028	196,717	1,415,079	48,974,150
Other Payables	765,783	400,616	2,881,819	99,736,210
Accrued Interest and Dividends Payable	46,760	24,462	175,970	6,090,093
Operating Expense Payable	3,138	1,642	11,808	408,670
Total Liabilities	1,191,708	623,438	4,484,676	155,209,123
Fund Balances				
Nonspendable - Permanent Funds	\$ 24,942,960	\$ 11,141,488	\$ 75,436,287	\$ 2,451,797,771
Restricted - Earnings Reserve	6,084,758	5,171,954	41,314,414	1,601,491,015
Total Fund Balances	31,027,719	16,313,442	116,750,701	4,053,288,785
Total Liabilities and Fund Balances	\$ 32,219,427	\$ 16,936,880	\$ 121,235,378	\$ 4,208,497,908
Statement of Net Position				
Restricted for Permanent Trust - Nonexpendable	\$ 24,942,960	\$ 11,141,488	\$ 75,436,287	\$ 2,451,797,771
Restricted for Permanent Trust - Expendable	6,084,758	5,171,954	41,314,414	1,601,491,015
Total Net Position	\$ 31,027,719	\$ 16,313,442	\$ 116,750,701	\$ 4,053,288,785

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

See Notes to Financial Statements.



Trust Lands Permanent Fund Combining Schedule by Beneficiary

Governmental Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances and Statement of Governmental Activities

Supplemental Schedule

	Beneficiary			
	School Fund	Utah State University	Deaf School	Institute for the Blind
Revenues				
Receipts from Trust Lands Administration	\$ 110,891,426	\$ 2,338,525	\$ 302,453	\$ 362,048
Reinvested Gains	-	-	-	-
Earnings on Investments	364,075,606	2,904,082	554,605	2,707,569
Total Revenues	474,967,032	5,242,607	857,058	3,069,617
Expenditures				
Fund Operating Expenses	5,822,818	46,375	8,826	43,420
Total Expenditures	5,822,818	46,375	8,826	43,420
Revenues over Expenditures	469,144,215	5,196,232	848,231	3,026,197
Other Financing Uses				
Distributions to Beneficiaries	111,314,466	497,867	139,081	920,178
Net Change in Fund Balance	357,829,749	4,698,365	709,150	2,106,018
Fund Balances - Beginning of Year	3,402,727,973	26,289,710	5,105,782	25,603,939
Fund Balances - End of Year	\$ 3,760,557,722	\$ 30,988,076	\$ 5,814,932	\$ 27,709,958

There were no expenses which do not require the use of current financial resources. The amount for the Change in Net Position (shown below) is the same amount shown above in the Governmental Statement of Expenditures.

Change in Net Position-Government Activities	\$ 357,829,749	\$ 4,698,365	\$ 709,150	\$ 2,106,018
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Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

See Notes to Financial Statements.



Trust Lands Permanent Fund Combining Schedule by Beneficiary

Governmental Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances and Statement of Governmental Activities

Supplemental Schedule

	Beneficiary			
	Industrial School	Normal School	Reservoirs Fund	Utah State Hospital
Revenues				
Receipts from Trust Lands Administration	\$ 1,266,287	\$ 477,888	\$ 2,520,431	\$ 860,694
Reinvested Gains	-	-	-	-
Earnings on Investments	1,108,555	1,019,072	2,732,674	1,121,100
Total Revenues	2,374,843	1,496,961	5,253,105	1,981,794
Expenditures				
Fund Operating Expenses	18,094	16,183	43,498	18,109
Total Expenditures	18,094	16,183	43,498	18,109
Revenues over Expenditures	2,356,749	1,480,778	5,209,607	1,963,684
Other Financing Uses				
Distributions to Beneficiaries	148,111	313,596	591,915	249,378
Net Change in Fund Balance	2,208,637	1,167,182	4,617,692	1,714,307
Fund Balances - Beginning of Year	10,108,912	9,441,963	24,598,074	10,269,508
Fund Balances - End of Year	\$ 12,317,549	\$ 10,609,146	\$ 29,215,766	\$ 11,983,815
Change in Net Position-Government Activities	\$ 2,208,637	\$ 1,167,182	\$ 4,617,692	\$ 1,714,307

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

See Notes to Financial Statements.



Trust Lands Permanent Fund Combining Schedule by Beneficiary

Governmental Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances and Statement of Governmental Activities

Supplemental Schedule

	Beneficiary			
	School of Mines	University of Utah	Miners Hospital	TOTAL
Revenues				
Receipts from Trust Lands Administration	\$ 523,285	\$ 799,592	\$ 7,250,605	\$ 127,593,234
Reinvested Gains	-	-	1,400,000	\$ 1,400,000
Earnings on Investments	3,002,901	1,551,854	11,206,893	\$ 391,984,911
Total Revenues	3,526,186	2,351,446	19,857,498	520,978,145
Expenditures				
Fund Operating Expenses	47,962	24,949	178,003	6,268,237
Total Expenditures	47,962	24,949	178,003	6,268,237
Revenues over Expenditures	3,478,223	2,326,497	19,679,495	514,709,908
Other Financing Uses				
Distributions to Beneficiaries	380,376	409,931	3,012,477	117,977,375
Net Change in Fund Balance	3,097,848	1,916,566	16,667,018	396,732,533
Fund Balances - Beginning of Year	27,929,862	14,396,877	100,083,652	3,656,556,252
Fund Balances - End of Year	\$ 31,027,710	\$ 16,313,442	\$ 116,750,671	\$ 4,053,288,785
Change in Net Position-Government Activities	\$ 3,097,848	\$ 1,916,566	\$ 16,667,018	\$ 396,732,533

Note: Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.

See Notes to Financial Statements.



Schedule of Operating Expenditures

Fund Operating Expenses

SITFO Investment Office Budget	\$	2,731,757
LTPAO Office Budget		705,566
Audit Expense		56,315
Investment Systems and Publications		207,967
Consulting Services		1,603,183
Legal Expense		87,266
Custodial Banking Services		876,183
Subtotal Fund Operating Expenses	\$	6,268,237

Invoiced Investment Management (IM) Fees

Bin Yuan	\$	89,417
Columbia Threadneedle		220,149
Loomis		313,225
Parametric		599,561
Westwood		658,449
Hatch Cove		200,752
SLC Management		181,681
Subtotal Invoiced IM Fees	\$	2,263,236

Total Fund Operating Expenses and Invoiced IM Fees	\$	8,531,473
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Note: Invoiced Investment Management (IM) Fees are paid out of the assets of the IM accounts.

Fees are also paid on an indirect basis as deductions from the Net Asset Value (or its equivalent) on an indirect basis and are not reported as Operating Expenditures.

Fund expenses include budget expenses as well as off budget investment specific expenses.

Reported figures are rounded to the nearest dollar and totals may not sum due to the impact of rounding.



Schedule of Weighted Investment Returns by Beneficiary

(% Net of Fees)

	FY 2025	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception	Inception Date
Total Fund	10.85%	8.75%	9.80%	6.43%	7.09%	June 2003
CPI+5%	7.79%	8.00%	9.79%	8.20%	7.71%	
Total Fund Interim	8.80%	8.30%	8.80%	6.90%	7.10%	
Target Index*						

Beneficiary	FY 2025	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception	Inception Date
School Fund	10.85%	8.74%	9.79%	6.42%	7.11%	June 2003
Utah State University	10.85%	8.70%	9.67%	6.28%	6.74%	June 2003
Deaf School	10.86%	8.73%	9.79%	6.09%	6.69%	June 2003
Institute for the Blind	10.85%	8.75%	9.80%	6.16%	6.95%	June 2003
Industrial School	10.86%	8.79%	9.82%	6.11%	6.55%	June 2003
Normal School	10.84%	8.74%	9.79%	6.14%	6.46%	June 2003
Reservoirs Fund	10.86%	8.75%	9.80%	6.12%	6.57%	June 2003
Utah State Hospital	10.86%	8.73%	9.79%	6.07%	6.39%	June 2003
School of Mines	10.85%	8.78%	9.79%	6.10%	6.78%	June 2003
University of Utah	10.86%	8.74%	9.79%	6.34%	6.65%	June 2003
Miners Hospital	10.86%	8.74%	9.79%	6.00%	6.51%	June 2003

*The Total Fund Interim Target Index as of June 30, 2025 consists of 45.00% Growth Interim Target Index, 17.25% Real Assets Interim Target Index, 27.75% Income Interim Target Index and 10.00% Defensive Interim Target Index.

Note: Investment Rates of Return and Benchmark Returns are as reported by FOS.

Any benchmark containing a Hamilton Lane, Cambridge, HFRI, NCREIF, S&P, Eurekahedge, or Actual Allocation Index is subject to change as updated data becomes available.

Reported figures are rounded to the nearest dollar or tenth of one percent and totals may not sum due to the impact of rounding.



Schedule of Weighted Investment Returns by Investment Thematic

(% Net of Fees)

	FY 2025	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception	Inception Date
Total Fund	10.9%	8.8%	9.8%	6.4%	7.1%	June 2003
<i>CPI+5%</i>	7.8%	8.0%	9.8%	8.2%	7.7%	
<i>Total Fund Interim Target Index (1)</i>	8.8%	8.3%	9.8%	6.9%	7.1%	
Investment Theme	FY 2025	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception	Inception Date
Growth	14.6%	12.5%	14.5%	9.1%	9.1%	June 2003
<i>Growth Interim Target Index (2)</i>	13.2%	13.4%	13.6%	9.8%	9.1%	
Real Assets	9.2%	6.6%	10.4%	7.0%	5.3%	December 2007
<i>Real Assets Interim Target Index (3)</i>	3.7%	1.0%	6.2%	5.8%	1.2%	
Income	12.3%	8.7%	7.8%	4.8%	4.5%	June 2003
<i>Income Interim Target Index (4)</i>	9.3%	9.3%	7.2%	5.4%	4.9%	
Defensive	-4.3%	-1.7%	-1.6%	0.2%	3.8%	June 2004
<i>Defensive Interim Target Index (5)</i>	-1.6%	-1.1%	0.4%	2.6%	2.0%	

- (1) The Total Fund Interim Target Index as of June 30, 2025 consists of 45% Growth Interim Target Index, 17.25% Real Assets Interim Target Index, 27.75% Income Interim Target Index and 10% Defensive Interim Target Index.
- (2) The Growth Interim Target Index currently consists of 71.11% MSCI ACWI IMI and 28.89% Hamilton Lane Private Equity Composite.
- (3) The Real Assets Interim Target Index currently consists of 33.33% S&P Real Assets Equity Index and 66.67% Hamilton Lane Private Assets Composite.
- (4) The Income Interim Target Index currently consists of 65.77% U.S. High Yield 1-3 Year Index and 34.23% Hamilton Lane Private Credit Composite.
- (5) The Defensive Interim Target Index currently consists of 30% Bloomberg 20-30 Year STRIP Index and 70% HFRI Macro Index.

Note: Investment Rates of Return and Benchmark Returns are as reported by FOS.

Any benchmark containing a Hamilton Lane, Cambridge, HRFI, NCREIF, S&P, EurekaHedge, CS, or Actual Allocation Index is subject to change as updated data becomes available.

Reported figures are rounded to the nearest dollar or tenth of one percent and totals may not sum due to the impact of rounding.



Schedule of Broker Commissions

Broker Name	Shares Traded	Dollar Volume of Trades	Commission Dollar Amount	Commission Per Share	Commission (% of dollar volume)
GOLDMAN SACHS	14,524,100	\$ 116,477,012	\$ 233,731	0.0161	0.2007%
NORTHERN TRUST	5,887,971	209,083,916	126,434	0.0215	0.0605%
TOURMALINE PARTNERS LLC	1,260,825	35,388,040	37,825	0.0300	0.1069%
MORGAN STANLEY	5,371,239	40,596,769	28,676	0.0053	0.0706%
CITIGROUP GLOBAL MARKETS	5,257,450	27,933,978	16,636	0.0032	0.0596%
JPMORGAN CHASE BANK	1,289,160	13,473,732	13,643	0.0106	0.1013%
UBS	3,776,777	14,447,215	11,586	0.0031	0.0802%
WALLACHBETH CAPITAL, LLC	1,124,283	55,115,369	11,243	0.0100	0.0204%
HSBC	2,484,182	21,460,326	10,712	0.0043	0.0499%
BARCLAYS BANK PLC	534,759	5,594,032	8,224	0.0154	0.1470%
Total	41,510,746	\$ 539,570,389	\$ 498,709	0.0119	0.0924%

Note: Domestic and Global Equity trading only.

No commissions are paid on fixed income trades.

Total does not include mutual fund trade fees.

Reported figures are rounded to the nearest dollar or tenth of one percent and totals may not sum due to the impact of rounding.



**Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Trustees
School and Institutional Trust Funds
Salt Lake City, Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the School and Institutional Trust Funds, a component of the State of Utah, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise School and Institutional Trust Funds’ basic financial statements, and have issued our report thereon dated October 9, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School and Institutional Trust Funds’ internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School and Institutional Trust Funds’ internal control. Accordingly, we do not express an opinion on the effectiveness of the School and Institutional Trust Funds’ internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School and Institutional Trust Funds' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Salt Lake City, Utah
October 9, 2025



Independent Auditor's Report on Compliance

To the Board of Trustees
School and Institutional Trust Funds
Salt Lake City, Utah

Report on Compliance

We have audited the School and Institutional Trust Funds' compliance with *Utah Code*, Sections 53F-9-201 and 53C-3-102(7), requiring distributions to be made as specified in those code sections, that could have a direct and material effect on distributions made for the year ended June 30, 2025.

Opinion on Compliance

In our opinion, School and Institutional Trust Funds complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on distributions made for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of School and Institutional Trust Funds and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of School and Institutional Trust Funds compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with compliance with Utah Code, Sections 53F-9-201 and 53C-3-102(7) and for the design, implementation, and maintenance of effective internal control over compliance requirements.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on compliance based on our audit of the compliance requirements referred to above.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, will always detect material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about School and Institutional Trust Funds compliance with the requirements as a whole.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding School and Institutional Trust Funds compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of School and Institutional Trust Funds' internal control. Accordingly, no such opinion is expressed.

We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of School and Institutional Trust Funds' compliance.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

October 9, 2025
Salt Lake City, Utah