UTAH SCHOOL & INSTITUTIONAL TRUST FUNDS OFFICE

STATE OF UTAH, SCHOOL AND INSTITUTIONAL TRUST FUNDS

Financial Statements

FOR THE FISCAL YEAR ENDED JUNE 30, 2026

Administered by the School and Institutional Trust Funds Office

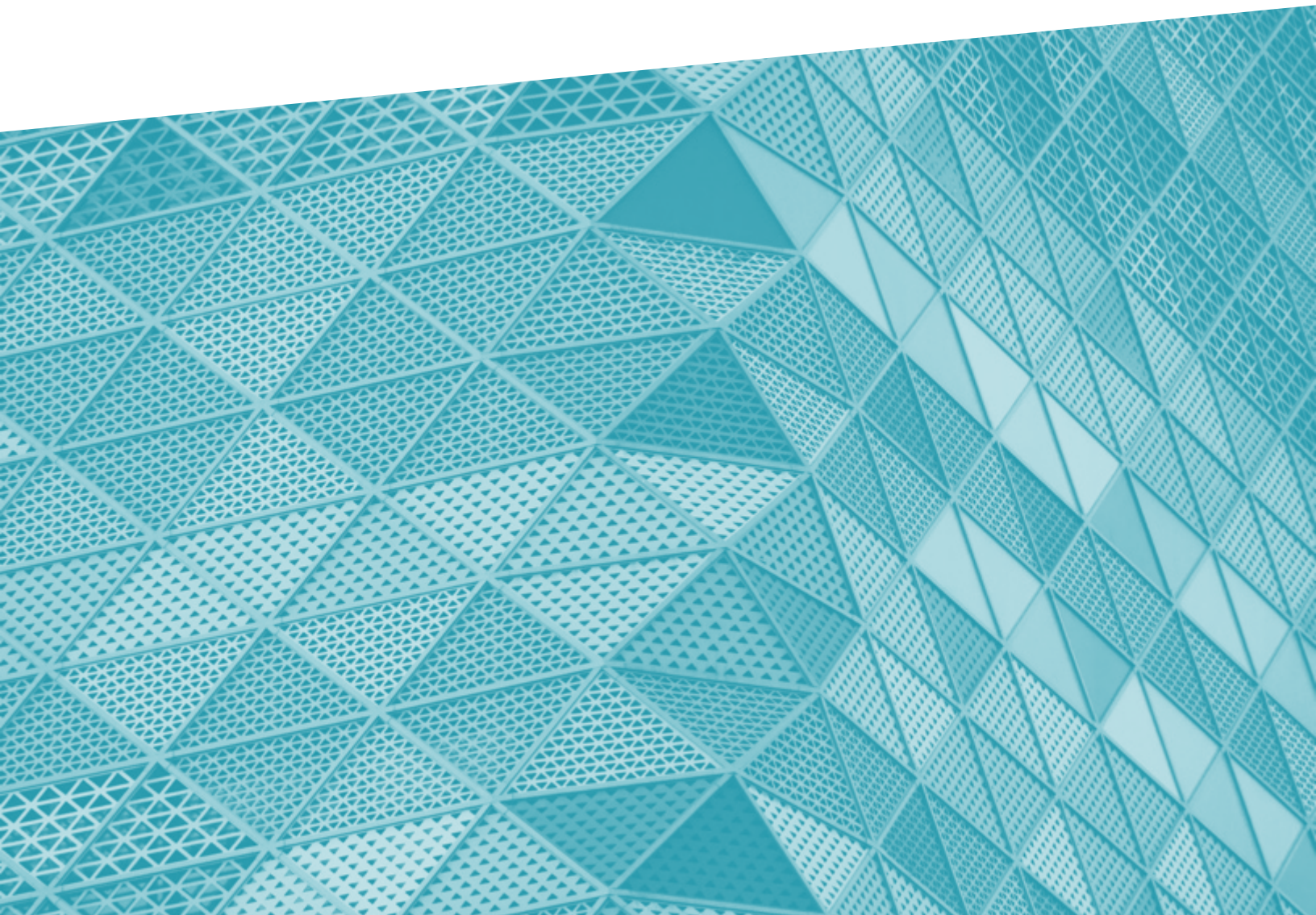

TABLE OF CONTENTS

Independent Auditor's Report 3
Overview and Annual Update 7
Management's Discussion and Analysis 15
- Overview of the Financial Statements 15
- Financial Summary 16
- Detailed Analyses 17
- Significant Capital Asset and Long-Term Financing Activity 22
- Currently Known Facts, Decisions, or Conditions 22

Financial Statements 23
- Trust Lands Permanent Fund Combined 24
  - Governmental Balance Sheet and Statement of Net Position 24
  - Governmental Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances and Statement of Governmental Activities 25
- Notes to the Financial Statements 26

Supplemental Schedules 48
- Trust Lands Permanent Fund Combining Schedule by Beneficiary 49
  - Governmental Balance Sheet and Statement of Net Position 49
  - Governmental Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances and Statement of Governmental Activities 52
- Schedule of Operating Expenditures 55
- Schedule of Weighted Investment Returns by Beneficiary 56
- Schedule of Weighted Investment Returns by Investment Thematic 57
- Schedule of Broker Commissions 58

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 59

Independent Auditor's Report on Internal Compliance 61

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, 2026, 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, 2026, 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,

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present fairly the financial position of the State of Utah as of June 30, 2026, 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 15-22 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 49 through 54 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 14 and 55 through 58 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, 2026 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.

Eide Bailly LLP

Salt Lake City, Utah
October 9, 2026

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.

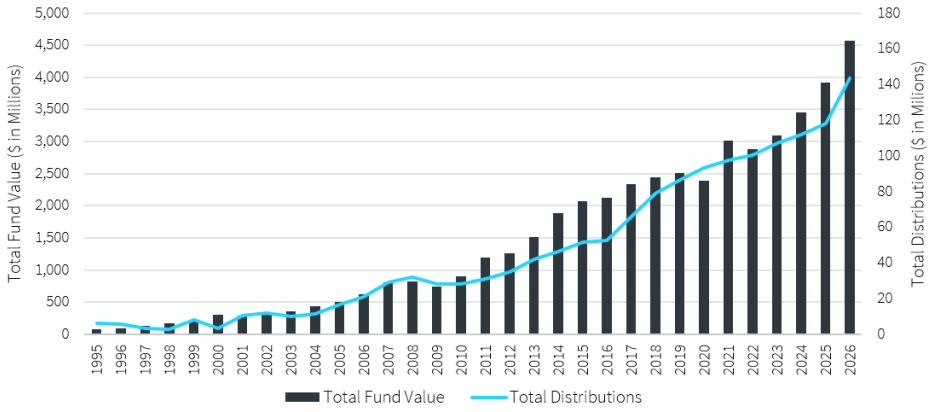
Impact Highlights

In Fiscal Year 2026, distributions calculated for SITFO's 11 beneficiaries totaled a record $143,456,267, an increase of approximately $25.5 million (21.6%) from $117,977,375 in Fiscal Year 2025. Of the FY2026 amount, $126,793,122 was transferred during the year, as $16,663,145 of the Public Schools distribution was offset by accumulated interest available in that account. This growth in distributions reflects both the strength of investment performance and the continued accumulation of trust assets through contributions from the Trust Lands Administration (TLA).

The investment program delivered a total portfolio return of 17.2% for the fiscal year ended June 30, 2026, exceeding SITFO's primary investment objective of CPI + 5%, which stood at 8.69% for the period, by approximately 851 basis points. The portfolio's performance reflects broad strength across asset categories, with particularly notable contributions from the Growth and Real Assets categories.

The following chart provides a detailed breakdown of SITFO's fund value and distributions over time.

Figure 1: Fund Value and Gross Distributions Over Time

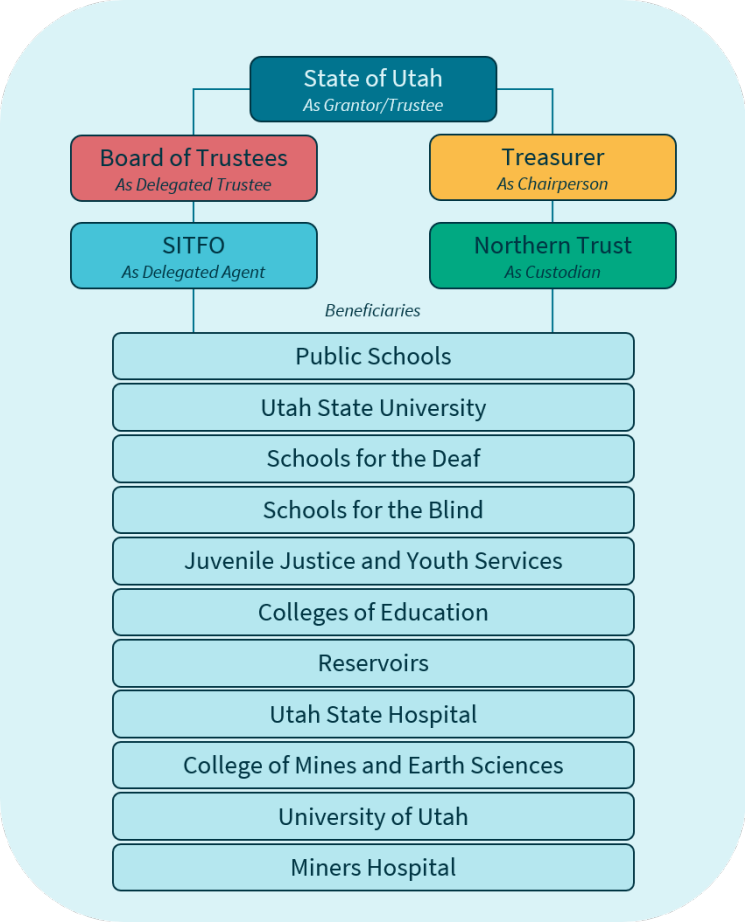


Of the total $143.5 million gross distribution in FY2026, approximately $133.6 million was directed to the Public Schools, the largest of the beneficiaries, which supports the educational needs of every public K-12 student across the state. Each school council actively evaluates specific needs and pinpoints 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

SITFO was established by the Utah State Legislature in 2014 with the purpose of investing the profits from the 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. 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 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.

RAKHI PATEL – BOARD OF TRUSTEES

Rakhi currently serves as Deputy General Counsel, Corporate and M&A, at GoodLeap, a fintech company in the renewable energy sector. She also provides legal counsel to GoodFinch, an affiliated investment firm with over $1 billion in assets under management, focused on solar energy and sustainable home improvement. Rakhi brings extensive experience in mergers and acquisitions, securities and corporate law, and investment fund management, having previously held legal roles at Tesla and Skadden Arps. A graduate of UCLA School of Law, where she served as Editor-in-Chief of the UCLA Law Review, Rakhi also holds degrees from Stanford University and Grinnell College. She studied international commerce at Seoul National University as a Rotary Ambassadorial Scholar.

SITFO currently employs a dedicated team of 12 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. The agency continues to develop its team to meet the evolving demands of the investment program.

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.

RODNEY TRAN – SENIOR 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.

OLIVER SORENSEN – SENIOR 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.

QUINN COLLINS – INVESTMENT ANALYST

Quinn joined SITFO in 2025 to support the team in investment manager research. Prior to SITFO, he was an Investments Intern at the Arizona Public Safety Personnel Retirement System, where he worked on opportunities across real estate, private equity, and public equity. He holds a Bachelor of Arts in Plan II Honors and Economics from The University of Texas at Austin and a Master of Science in Finance from Bocconi University in Italy.

RAINEY CORNABY – SENIOR FINANCE AND OPERATIONS ANALYST

In 2024 Rainey was added to the SITFO team to support portfolio finance and office operations, now focusing on risk. 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 Bachelor of Science from Emory University, and a Master 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.

AVA HAMME – FINANCE AND OPERATIONS ANALYST

Ava joined SITFO in 2026 to support the Finance & Operations team. Prior to SITFO, she was a Sustainability Analyst at Hillside Ventures, where she conducted due diligence on early-stage companies and built financial models to support investment decisions. She also interned with Marriott Vacations Worldwide, driving data-informed operational improvements and enhancing guest experience. Ava graduated from the University of Connecticut, where she earned a Bachelor of Science in Business with a major in Analytics & Information Management and a concentration in Business Intelligence.

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 Bachelor 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.

DEVAN FERGUSON – ADMINISTRATIVE ASSISTANT

Devan joined SITFO in 2026 to support operational coordination and administrative functions. Prior to joining SITFO, Devan worked as an Administrator at a manufacturing plant supporting executive leadership and overseeing key operational functions. She also held buyer and procurement roles, where she managed vendor relationships, purchasing strategy, and cost control initiatives. Earlier in her career, she spent seven years with RC Willey in furniture sales, developing strong communication, organizational, and relationship management skills.

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 effectively.

INVESTMENT CONSULTANT – *RVK*

RVK is a generalist investment consultant providing support across governance, asset allocation, manager research, operational support, and related investment activities.

BACK-OFFICE SUPPORT – *Albourne, Northern Trust, Covenant*

These partners support SITFO's back-office, middle office, operational, and investment administration functions.

INVESTMENT SYSTEMS AND RESEARCH – *Bloomberg, eVestment, BCA, NDR, Hamilton Lane, Top Down, Aksia, V7*

These providers supply investment data, research, analytics, and other tools to support portfolio monitoring and investment decision-making.

FUND MANAGERS – *Strategy Specific Investment Advisory Relationships*

SITFO engages specialized investment managers to execute investment strategies and manage underlying securities. Managers undergo rigorous due diligence before selection and ongoing monitoring thereafter.

CUSTODIAN BANK – *Northern Trust*

Northern Trust serves as SITFO's independent custodian, providing asset custody, accounting, and related services. Northern Trust was initially engaged in 2016 to institutionalize custody of trust assets and provide independent investment accounting.

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

SITFO avails itself of software services to support quantitative risk management analysis, performance monitoring, and risk reporting. Independent consultants also provide analytical tools and expertise that contribute to SITFO's overall risk management framework.

Policy Developments

A significant governance milestone reached in prior years—the successful passage of a constitutional amendment increasing the cap on annual distributions from 4% to 5% of trust fund value—continued to shape SITFO's distribution activity in FY2026. This change, achieved in collaboration with the State Treasurer's Office, TLA, the School & Institutional Trust Beneficiaries Advocacy Office (the Advocacy Office), the state legislature, and other stakeholders, was designed to provide greater benefits to current and future beneficiaries while remaining consistent with intergenerational equity principles.

During FY2026, SITFO continued to strengthen its organizational capacity, bringing total full-time staff to 12 professionals. This growth in staffing reflects the organization's continued investment in the personnel and expertise needed to support the long-term investment program and its operational requirements.

Closing Remarks

We extend our gratitude to all who support SITFO's mission. We especially acknowledge the significant contributions of the Board of Trustees, the State Treasurer's Office, the School Children's Trust Section, and the 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 continued progress, and we are deeply grateful. We look forward to continuing our shared efforts to secure and strengthen the trust funds, ensuring lasting benefit for generations to come.

With appreciation,

The SITFO Team

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) of the State of Utah, School and Institutional Trust Funds Office (SITFO), is presented in accordance with GASB Statement No. 103, Financial Reporting Model Improvements. It provides a detailed analysis of SITFO's financial position as of June 30, 2026, and the results of operations for the fiscal year ended on that date. 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.

Overview of the Financial Statements

SITFO's basic financial statements include governmental fund presentations, accompanying notes, and supplemental schedules. The Statement of Net Position and Statement of Governmental Activities, report the Trust Funds using the economic resources measurement focus and accrual basis of accounting. They present all reported assets and liabilities and the annual change in net position, including investment income, TLA contributions, beneficiary distributions, and operating expenses.

The governmental fund statements, which include the Governmental Balance Sheet and Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances, use the current financial resources measurement focus and modified accrual basis of accounting. They emphasize current financial resources and the sources and uses of spendable resources. For FY2026, no conversion adjustments were required for the reported change in fund balance and change in net position.

The notes provide information necessary to understand the amounts reported in the basic financial statements, including SITFO's organization, accounting policies, investments, fair value measurements, investment risks, derivatives, and securities-lending activity. Supplemental schedules provide beneficiary-level financial information, operating-expenditure detail, investment returns, and broker commissions.

Financial Summary

SITFO's financial position strengthened during FY2026. Total net position increased $748.8 million, or 18.47%, from $4.053 billion at June 30, 2025 to $4.802 billion at June 30, 2026. The increase resulted principally from $699.5 million of net investment income and $182.3 million of TLA contributions, partially offset by $126.8 million of distributions transferred to beneficiaries and $6.3 million of operating expenditures. Distributions calculated under the applicable formulas totaled $143.5 million; the $16.7 million difference reflects accumulated interest in the Public Schools account that was applied toward its FY2026 distribution.

Total assets increased $866.3 million, or 20.58%, to $5.075 billion. Investments increased $735.2 million, or 18.41%, and other assets increased $131.1 million, or 60.80%. Total liabilities increased $117.6 million, or 75.74%, to $272.8 million. A principal reason for the increase in both other assets and liabilities was securities-lending cash collateral: the invested-collateral asset and corresponding liability increased from $49.0 million at June 30, 2025 to $204.3 million at June 30, 2026. Because the same amount is reported as an asset and a liability, that increase did not affect net position.

Figure 3: Condensed Statement of Net Position

		FY 26		FY 25
Total Investments	$	4,727,967,196	$	3,992,808,916
Other Assets	$	346,837,318	$	215,688,992
Total Assets	$	5,074,804,515	$	4,208,497,908
Total Liabilities	$	272,760,082	$	155,209,123
Net Position – Restricted	$	2,632,927,772	$	2,451,797,771
Net Position – Expendable	$	2,169,116,661	$	1,601,491,015
Total Net Position	**$**	**4,802,044,433**	**$**	**4,053,288,785**

Compared with FY2025, net investment income increased $307.5 million, or 78.46%, and TLA contributions increased $54.7 million, or 42.89%. Beneficiary distributions increased $25.5 million, or 21.6%, while operating expenditure increased $0.02 million, or 0.34%. As a result, the annual increase in net position was $352.0 million, or 88.73%, greater than in FY2025.

Distributions calculated under the applicable distribution formulas totaled $143,456,267 in FY2026 and $117,977,375 in FY2025. In FY2026, $16,663,145 of the Public Schools distribution was offset by accumulated interest available in the Public Schools account, so $126,793,122 was transferred and reported as Distributions to Beneficiaries.

Figure 4: Condensed Statement of Changes in Net Position

		FY 26		FY 25
Net Investment Income	$	699,519,930	$	391,984,911
TLA Contributions	$	182,318,644	$	127,593,234
Reinvested Gains	$	-	$	1,400,000
Accumulated Interest Applied to Distribution	$	16,663,145	$	-
Distributions to Beneficiaries	$	(143,456,267)	$	(117,977,375)
Operating Expenditures	$	(6,289,805)	$	(6,268,237)
Change in Net Position	$	748,755,648	$	396,732,533
Starting Net Position	$	4,053,288,785	$	3,656,556,252
Ending Net Position	$	4,802,044,433	$	4,053,288,785

Detailed Analyses

Financial Position

Total assets increased $866.3 million, or 20.58%, during FY2026. Investments increased $735.2 million, from $3.993 billion to $4.728 billion. Other assets increased $131.1 million, from $215.7 million to $346.8 million. The year-over-year increase in the securities-lending collateral asset, from $49.0 million to $204.3 million, was larger than the net increase in other assets and was partially offset by decreases in other asset categories.

Total liabilities increased $117.6 million, from $155.2 million to $272.8 million. The securities-lending liability increased by the same $155.3 million as the related collateral asset. This increase was partially offset by decreases in other liabilities, including unsettled-trade and related payable balances. Net position therefore increased because of operating results rather than the gross-up associated with securities lending.

Net position restricted for the permanent trust, nonexpendable, increased $181.1 million, from $2.452 billion to $2.633 billion. Expendable net position increased $567.6 million, from $1.601 billion to $2.169 billion.

Investment Performance

The portfolio delivered a total return of 17.2% for the fiscal year ended June 30, 2026, representing outperformance of 851 basis points relative to SITFO's primary investment objective of CPI + 5% (8.69%).

Returns for each of the four investment categories exceeded their reported FY2026 benchmarks' returns. Growth returned 23.1%, compared to 19.7% for its benchmark; Real Assets returned 14.9%, compared to

6.8%; Income returned 9.3%, compared to 6.2%; and Defensive returned 15.6%, compared to 11.0%. Real Assets had the largest benchmark outperformance, at approximately 810 basis points, followed by Defensive at 460 basis points, Growth at 340 basis points, and Income at 310 basis points.

Figure 5: Market Value and Annualized Returns by Beneficiary by Fiscal Year

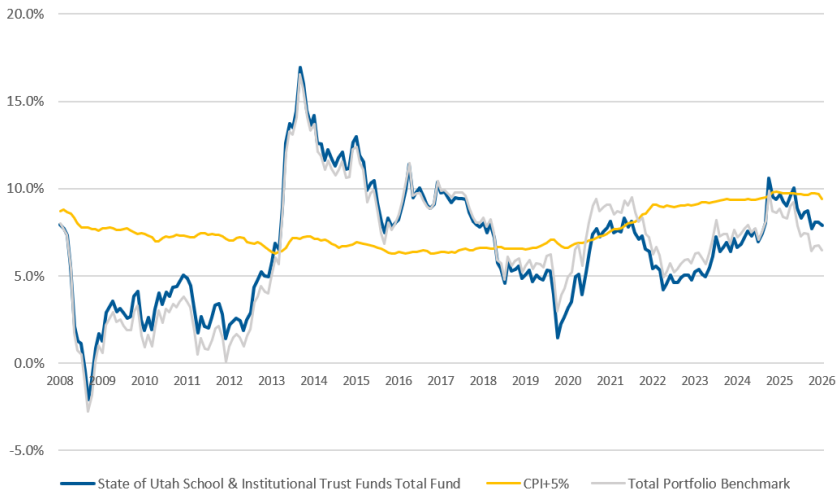
Trust Funds	Market Value		Annualized Returns (as of June 30, 2026)			
	June 30, 2026	June 30, 2025	FY 26	3Y	5Y	10Y
Total Portfolio	$ 4,746,638,331	$ 4,039,729,786	17.2%	12.9%	8.2%	8.0%
Public Schools	$ 4,389,406,663	$ 3,747,683,036	17.3%	12.9%	8.2%	8.0%
Utah State University	$ 37,573,124	$ 30,828,776	17.3%	12.9%	8.1%	7.9%
Schools for the Deaf	$ 7,451,049	$ 5,730,264	17.4%	12.9%	8.2%	8.0%
Schools for the Blind	$ 32,091,692	$ 27,672,679	17.3%	12.9%	8.2%	8.0%
Juvenile Justice and Youth Services	$ 15,843,579	$ 12,163,794	17.4%	12.9%	8.2%	8.0%
Colleges of Education	$ 12,348,997	$ 10,572,195	17.3%	12.9%	8.2%	8.0%
Reservoirs	$ 33,746,952	$ 29,214,181	17.3%	12.9%	8.2%	8.0%
Utah State Hospital	$ 14,909,836	$ 11,895,253	17.4%	12.9%	8.2%	8.0%
College of Mines and Earth Sciences	$ 36,240,698	$ 31,017,378	17.3%	13.0%	8.2%	8.0%
University of Utah	$ 23,296,560	$ 16,226,618	17.4%	13.0%	8.2%	8.0%
Miners Hospital	$ 143,729,181	$ 116,725,614	17.4%	12.9%	8.2%	8.0%
Investment Objective			FY 26	3Y	5Y	10Y
Inflation (CPI) + 5%			8.7%	8.2%	9.4%	8.5%

**Market values are as reported by the custodian and include accrued income / pending trade activity; they therefore differ from Investments, at Fair Value, on the Statement of Net Position.*

Long Term Investment Objective

As of June 30, 2026, the total fund's five-year annualized return was approximately 8.2%. This was approximately 120 basis points below the five-year CPI + 5% objective of 9.4%.

Figure 6: Rolling 5-Year Performance vs. Investment Objective



The rolling five-year return decreased from approximately 9.8% at June 30, 2025 to 8.2% at June 30, 2026. This demonstrates that a strong one-year result does not immediately eliminate the effect of other periods included in a rolling five-year measurement. The five-year result should therefore be evaluated together with both the long-term inflation-based objective and the investable policy benchmark.

TLA Contributions

TLA contributions totaled $182.3 million in FY2026, an increase of $54.7 million, or 42.89%, from $127.6 million in FY2025. The increase in contributions added principally to nonexpendable net position and was an important component of the $748.8 million increase in total net position.

Figure 7: TLA Contributions to the Trust Funds

Trust Funds		FY 26		FY 25
Public Schools	$	157,095,472	$	110,891,426
Utah State University	$	2,266,414	$	2,338,525
Schools for the Deaf	$	881,758	$	302,453
Schools for the Blind	$	888,991	$	362,048
Juvenile Justice and Youth Services	$	1,772,926	$	1,266,287
Colleges of Education	$	416,328	$	477,888
Reservoirs	$	690,950	$	2,520,431
Utah State Hospital	$	1,398,154	$	860,694
College of Mines and Earth Sciences	$	702,539	$	523,285
University of Utah	$	4,808,907	$	799,592
Miners Hospital	$	11,396,206	$	7,250,605

Distributions to the Beneficiaries

Calculated distributions to beneficiaries totaled $143.5 million in FY2026, an increase of $25.5 million, or 21.6%, from $118.0 million in FY2025 based on the applicable distribution formulas for the 11 beneficiary funds. Of this amount, $133.6 million was attributable to Public Schools, with approximately $9.9 million attributable to the remaining 10 beneficiaries.

The distribution formulas differ between Public Schools and the other beneficiaries. For Public Schools, the FY2026 calculation applies a 50/50 formula: one-half is based on the prior-year distribution adjusted for inflation and enrollment growth, and one-half is based on 5% of the 20-quarter moving-average market value. The result is subject to a 5% cap based on that moving-average value. Using a prior-year distribution of $111.3 million, inflation of 2.9%, enrollment growth of -0.7%, and a 20-quarter moving-average market value of $3.067 billion, the calculation results in a gross formula amount of $133.6 million.

The amount transferred to Public Schools during FY2026 was less than the calculated distribution because interest had accumulated in the Public Schools account over time and was available to fund a portion of the FY2026 distribution. At the request of Public Schools, the $133.6 million distribution was offset by $16.7 million of accumulated interest available in the account. As a result, $116.9 million was transferred to Public Schools during FY2026. This offset affected the amount of cash transferred but did not change the $133.6 million distribution calculated for Public Schools under the applicable distribution formula.

For the other beneficiaries, the annual distribution is generally calculated as 5% of the applicable 20-quarter moving-average market value and paid in four quarterly installments.

In total, FY2026 distributions calculated for all beneficiaries were $143.5 million, while $126.8 million was transferred and is reflected as distributions in the financial statements, primarily due to the accumulated interest available in the Public Schools account.

Figure 8: Distributions to the Beneficiaries

Beneficiaries		FY 26		FY 25
Public Schools	$	133,551,631	$	111,314,466
Utah State University	$	862,129	$	497,867
Schools for the Deaf	$	200,982	$	139,081
Schools for the Blind	$	1,208,573	$	920,178
Juvenile Justice and Youth Services	$	283,374	$	148,111
Colleges of Education	$	429,233	$	313,596
Reservoirs	$	932,055	$	591,915
Utah State Hospital	$	379,995	$	249,378
College of Mines and Earth Sciences	$	721,287	$	380,376
University of Utah	$	592,420	$	409,931
Miners Hospital	$	4,294,587	$	3,012,477

Asset Allocation

Figure 9: Asset Allocation as of June 30, 2026

Asset Classes	Interim Target (%)	June 30, 2026 (%) *
Growth	45.00	46.43
Public Equity	30.00	31.42
Private Equity	15.00	15.01
Real Assets	16.25	16.37
Public Real Assets	6.25	6.91
Private Real Assets	10.00	9.45
Income	28.75	26.88
Public Income	19.25	18.50
Private Income	9.50	8.38
Defensive	10.00	10.25
Duration	3.00	2.51
Convexity	7.00	6.66
Cash	0.00	1.08

**Numbers may not sum due to rounding*

At June 30, 2026, Growth represented 46.43% of the portfolio compared with a 45.00% interim target; Real Assets represented 16.37% compared with 16.25%; Income represented 26.88% compared with 28.75%; and Defensive represented 10.25% compared with 10.00%. Cash of 1.08% was included within Defensive. All reported allocations were within the minimum and maximum ranges in the compliance workbook.

Growth was 1.43 percentage points above its interim target, Real Assets was 0.12 points above, Income was 1.87 points below, and Defensive was 0.25 points above.

Operating Expenditures

Operating expenditures reported in the basic financial statements were $6.29 million in FY2026, an increase of $0.02 million, or 0.34%, from $6.27 million in FY2025. Operating expenditures represented approximately 0.13% of ending net position.

Significant Capital Asset and Long-Term Financing Activity

SITFO had no significant capital-asset or long-term financing activity during FY2026. SITFO's reported assets consist principally of financial investments and related receivables. SITFO had no material capital-asset acquisitions or disposals and no debt, direct borrowings, leases, subscription-based information technology arrangements, public-private partnerships, or other long-term financing activity requiring discussion in MD&A.

Currently Known Facts, Decisions, or Conditions

Management is not aware of any facts, decisions, or conditions known as of the date of this MD&A that are expected to have a significant effect on SITFO's future financial position or results of operations beyond the matters described in the financial statements and notes.

UTAH SCHOOL & INSTITUTIONAL TRUST FUNDS OFFICE

STATE OF UTAH, SCHOOL AND INSTITUTIONAL TRUST FUNDS

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2026

Trust Lands Permanent Fund Combined

Governmental Balance Sheet and Statement of Net Position

		TOTAL
Assets		
Cash with the State Treasurer	$	**1,188,643**
Investments, at Fair Value		**4,727,967,196**
Invested Securities Lending Collateral		**204,283,666**
Receivable for Unsettled Trades		**85,171,987**
Other Receivables		**1,540,064**
Accrued Interest and Dividends Receivable		**286,780**
Prepaid Operating Expenses		**661,506**
Net Income Receivable from TLA		**53,704,671**
Total Assets		**5,074,804,515**
Liabilities		
Securities Lending Liability		**204,283,666**
Other Payables		**67,745,873**
Expense Payable		**581,825**
Operating Expense Payable		**148,718**
Total Liabilities		**272,760,082**
Fund Balances		
Nonspendable - Permanent Funds	$	**2,632,927,772**
Restricted - Earnings Reserve		**2,169,116,661**
Total Fund Balances		**4,802,044,433**
Total Liabilities and Fund Balances	$	**5,074,804,515**
Statement of Net Position		
Restricted for Permanent Trust - Nonexpendable	$	**2,632,927,772**
Restricted for Permanent Trust - Expendable		**2,169,116,661**
Total Net Position	$	**4,802,044,433**

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

		TOTAL
Revenues		
Receipts from Trust Lands Administration	$	182,318,644
Earnings on Investments		699,519,930
Total Revenues		881,838,574
Expenditures		
Fund Operating Expenses		6,289,805
Total Expenditures		6,289,805
Revenues over Expenditures		875,548,769
Other Financing Uses		
Distributions to Beneficiaries		126,793,122
Net Change in Fund Balance		748,755,648
Fund Balances - Beginning of Year		4,053,288,785
Fund Balances - End of Year	$	4,802,044,433

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	$	748,755,648

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.

The School and Institutional Trust Beneficiary Advocacy Office (SITBAO) represents and advocates for the interests of the beneficiaries of Utah's school and institutional trust lands and funds. SITBAO works to ensure that beneficiary interests are considered in matters affecting the administration of trust lands and trust funds and serves as an independent voice for the beneficiaries. While TLA is responsible for managing the trust lands and SITFO is responsible for investing the trust funds, SITBAO focuses on representing and protecting the interests of the beneficiaries.

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

- Public Schools
- Utah State University
- Schools for the Deaf
- Schools for the Blind
- Juvenile Justice and Youth Services

- Colleges of Education
- Reservoirs
- Utah State Hospital
- College of Mines and Earth Sciences
- 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 Public Schools, 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 $3.37 billion principal amount of Guaranteed Bonds outstanding at June 30, 2026, 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.

Recently Adopted Accounting Pronouncement

GASB Statement No. 103, Financial Reporting Model Improvements

Effective July 1, 2025, the School and Institutional Trust Funds adopted Governmental Accounting Standards Board (GASB) Statement No. 103, Financial Reporting Model Improvements. GASB 103 modifies certain financial reporting requirements, including Management's Discussion and Analysis (MD&A), the presentation and disclosure of unusual or infrequent items, and certain terminology used throughout the financial statements. The adoption of this statement did not have a material effect on the School and Institutional Trust Funds' financial position, results of operations, or net position; however, certain presentation and disclosure changes have been incorporated into the accompanying financial statements and Management's Discussion and Analysis.

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). 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 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.

Other Receivables

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

Accrued Interest and Dividends Receivable

Accrued Interest and Dividends Receivable represents interest and dividend income earned or declared but not yet received as of the reporting date.

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.

Expense Payables

Expense Payables represent expenses incurred but not yet paid as of the reporting date.

Operating Expense Payable

Expenses that were incurred during the fiscal year for which no invoices had yet been received are considered operating expenses 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 categories, 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., listed stocks, private equity).

Specific sub-component targets include:

1. Public Equity (target 25% / range from 19%-30%)
2. Private Equity (target 20% / range from 15%-26%)

Real Assets (target 15% / range from 10%-20%)

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 may present characteristics of income as well as price appreciation and thus often exhibit a moderate risk profile (e.g., commercial real estate, infrastructure, natural resources).

Specific sub-component targets include:

1. Public Real Assets (target 5% / range 0%-8%)
2. Private Real Assets (target 10% / range 7%-15%)

Income (target 30% / range from 25%-35%)

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 20% / range from 15%-23%)
2. Private Income (target 10% / range 7%-15%)

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, 2026.

		Cost		Fair Value with Accruals
Growth	$	1,580,534,209	$	2,277,993,978
Real Assets		703,962,621		774,974,663
Income		1,023,990,423		1,267,559,849
Defensive		362,499,643		426,109,841
Total Fund Investments	**$**	**3,670,986,896**	**$**	**4,746,638,331**
Receivable for Unsettled Trades				(85,171,987)
Other Receivables				(1,540,064)
Accrued Interest and Dividends Receivable				(286,780)
Other Payables				67,745,873
Expense Payable				581,825
Grand Total	**$**	**3,670,986,896**	**$**	**4,727,967,196**

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.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

At June 30, 2026, the Trust Funds had the following recurring fair value measurements:

Assets at Fair Value as of June 30, 2026

	Total	Level 1	Level 2	Level 3
Growth				
Public Equity	$ 916,933,377	$ 915,393,052	$ 523,789	$ 1,016,537
Private Equity	4,674	4,674	-	-
Total Growth	**916,938,052**	**915,397,726**	**523,789**	**1,016,537**
Real Assets				
Public Real Assets	182,080,064	178,709,822	3,370,242	-
Private Real Assets	-	-	-	-
Total Real Assets	**182,080,064**	**178,709,822**	**3,370,242**	-
Income				
Public Income	303,417,019	211,405,528	92,011,490	-
Private Income	2,670,996	-	(69,004)	2,740,000
Total Income	**306,088,015**	**211,405,528**	**91,942,486**	**2,740,000**
Defensive				
Duration	102,053,703	102,053,702	2	-
Convexity	-	-	-	-
Cash	18,200,269	18,354,134	(153,865)	-
Total Defensive	**120,253,972**	**120,407,836**	**(153,864)**	**-**
Total Investments by Fair Value Level	**$ 1,525,360,102**	**$ 1,425,920,912**	**$ 95,682,654**	**$ 3,756,537**

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, 2026

Growth		
Public Equity	$	603,327,524
Private Equity		757,728,402
Real Assets		
Public Real Assets		173,448,344
Private Real Assets		419,446,255
Income		
Public Income		582,133,872
Private Income		379,337,962
Defensive		
Duration		-
Convexity		305,855,869
Cash		-
Total Investments Measured at Net Asset Value		**3,221,278,228**
Total Investments Measured at Fair Value	**$**	**4,746,638,331**

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 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 seven (7) investments in hedge funds with equity investments, one (1) investment in units of a pooled investment fund, and three (3) investments in a venture capital partnerships. 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 one hundred sixteen (116) 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, 2026, 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 nine (9) 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 ten (10) investments in private real estate limited partnerships and forty (40) investments in limited partnerships. Generally speaking, the types of strategies included in this portfolio include core, value added and opportunistic investments. 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, 2026, 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 twelve (12) investments in limited partnerships with underlying insurance linked securities investments and associated strategies and twenty four (24) 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-five (45) investments in limited partnerships. Generally speaking, the types of strategies included in this portfolio include securitized credit, asset backed/collateralized loan obligations, 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 ten years and are therefore considered illiquid. The Trust Funds have no plans to liquidate the total portfolio. As of June 30, 2026, 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 twelve (12) investments in hedge funds with underlying investments in Global Macro, Trend following, 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, 2026, the Trust Funds had contractual commitments of $2,170,721,796 to two hundred nine (209) investments across Private Equity, Public and Private Real Assets, and Public and Private Income.

Of this amount, an estimated $847,697,349 remained unfunded and subject to call by the funds.

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		603,327,524		-	Daily - 90 Days	1 - 90 Days
Private Equity		757,728,402		354,521,430	Limited	N/A
Total Growth	**$**	**1,361,055,926**	**$**	**354,521,430**		
Real Assets						
Public Real Assets		173,448,344		15,230,906	90 Days, Limited	90 Days, N/A
Private Real Assets		419,446,255		209,232,073	Limited	N/A
Total Real Assets	**$**	**592,894,599**	**$**	**224,462,979**		
Income						
Public Income		582,133,872		4,789,246	30 - 180 Days, Limited	60 - 180 Days, N/A
Private Income		379,337,962		263,923,693	Limited	N/A
Total Income	**$**	**961,471,834**	**$**	**268,712,939**		
Defensive						
Duration		-		-	Daily	1 Day
Convexity		305,855,869		-	5 Days	1-5 Days (30% investor gate)
Cash		-		-	Daily	1 Day
Total Defensive	**$**	**305,855,869**	**$**	**-**		
Total	**$**	**3,221,278,228**	**$**	**847,697,349**		

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, 2026, 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)
Asset Backed Securities	$	1,711,532	11
Bank Loans		8,318,350	5
Corporate Bonds		62,555,300	4
Corporate Convertible Bonds		476,166	22
Funds - Corporate Bond		50,424,084	4
Funds - Other Fixed Income		157,168,357	4
Funds - Short Term Investment		38,178,013	0
Government Bonds		102,953,968	24
Other Fixed Income		253,253	0
Total	**$**	**422,039,022**	**9**

Note: As of June 30, 2026, the Trust Funds held $141,045,310 in eighteen 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, 2026, 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	Asset Backed Securities	Bank Loans	Corporate Bonds	Corporate Convertible Bonds	Funds - Corporate Bonds	Funds - Short Term Investment	Funds - Other Fixed Income	Government Bonds	Other Fixed Income
AAA	**$ 822,847**								822,847	
A	**$ 91,532**	91,532								
BBB-	**$ 1,438,234**			999,501	438,734					
BB+	**$ 9,455,636**			9,455,636						
BB	**$ 9,132,783**		492,445	8,640,338						
BB-	**$ 10,909,310**		1,758,087	9,151,222						
B+	**$ 9,942,907**		1,242,825	8,700,082						
B	**$ 10,638,995**		2,129,831	8,509,164						
B-	**$ 10,444,807**		1,293,182	9,151,624						
CCC+	**$ 2,466,184**		101,533	2,364,651						
CCC	**$ 3,869,657**			3,869,657						
NR	**$ 250,932,088**	1,620,000	1,300,446	1,713,425	37,432	50,424,084	38,178,013	157,168,357	237,079	253,253
***TSY**	**$ 101,894,043**								101,894,043	
Subtotal	**$ 320,144,979**	1,711,532	8,318,350	62,555,300	476,166	50,424,084	38,178,013	157,168,357	102,953,968	253,253
U.S.Treasuries	**$ 101,894,043**									
Total debt securities investments	**$ 422,039,022**									

Note: As of June 30, 2026 the Trust Funds held $38,178,013 in the Northern Trust Institutional Funds Treasury Portfolio - Premier Class, and an 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, 2026, 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, 2026, the data below represents the investments, including accrued income/expense, that have custodial credit risk.

Type of Investment	Fair Value
Cash and Cash Equivalents	$ 934,759

The $934,759 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	$ 593,568,416

As of June 30, 2026, the $593,568,416 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, 2026 is as follows:

Currency	Alternative Investments	Debt	Short Term	Equity	Total
Australian dollar	$ -	$ 237,153	$ 7,969	$ 14,926,133	$ 15,171,255
British pound sterling	6,338,251	-	64,963	12,177,265	18,580,479
Canadian dollar	-	-	40,075	2,588,978	2,629,053
Chinese yuan renminbi	-	9,434	106,134	9,168,130	9,283,698
Danish krone	-	-	72,771	6,183,060	6,255,832
Euro	134,211,545	265,002	614,547	55,273,898	190,364,993
HK offshore Chinese Yuan Renminbi	-	-	(19,240)	7,445,093	7,425,853
Hong Kong dollar	-	-	197,625	8,997,670	9,195,296
Japanese yen	-	-	25,616	18,334,496	18,360,112
New Israeli shekel	-	-	2,439	2,415,754	2,418,193
New Zealand dollar	-	827,440	47,570	1,185,144	2,060,155
Norwegian krone	-	-	1,766	3,317,640	3,319,406
Singapore dollar	-	-	9,145	6,460,626	6,469,772
South African rand	-	-	47	-	47
Swedish krona	-	-	705	6,076,731	6,077,436
Swiss franc	-	-	307,828	12,319,687	12,627,515
Total securities subject to foreign currency risk	**$ 140,549,796**	**$ 1,339,030**	**$ 1,479,960**	**$ 166,870,306**	**$ 310,239,092**

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, 2026, the Trust Funds had the following exposure types classified within Derivative Financial Instruments: Equity Rights/Warrants; Currency Forwards; and Swaps.

Derivative Contracts as of June 30, 2026

Risk Type	Gross Notional	Asset MV	Liability MV	Earnings
Equity Rights/Warrants	$ 96,375	$ -	$ -	$ (40,795)
Currency Forwards	2,095,877	7,353	(684)	16,585
SWAPs	-	-	-	(16,559)
Total	**$ 2,192,252**	**$ 7,353**	**$ (684)**	**$ (40,769)**

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.

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 select OECD government debt securities; and domestic and international equities from major indices as defined specifically in the non-cash collateral guidelines within the Securities Lending Authorization Agreement. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any accrued interest. 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 77 days as of June 30, 2026.

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 23 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.

The following represents the Trust Funds' balances related to securities lending transactions at June 30, 2026:

Security Type	Underlying Securities on Loan for Cash	Cash Collateral	Underlying Securities on Loan for Non-Cash Collateral	Non-Cash Collateral*
GLOBAL Corporate Fixed	-	-	529,628	571,221
GLOBAL Equities	2,592,754	2,704,542	42,183,994	45,496,814
GLOBAL Government Fixed	-	-	1,281,054	1,381,659
US Corporate Fixed	18,525,236	18,886,551	1,644,193	1,773,316
US Equities	175,180,559	177,921,429	8,983,252	9,688,731
US Government Fixed	4,589,465	4,771,144	22,165,515	23,906,231
Total	**$ 200,888,014**	**$ 204,283,666**	**$ 76,787,636**	**$ 82,817,971**

Market Value of Securities on Loan against Cash Collateral	$ 200,888,014
Market Value of Securities on Loan against Non-Cash Collateral	76,787,636
Total Market Value of Securities on Loan	$ 277,675,650

*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, 2026

Trust Lands Permanent Fund Combining Schedule by Beneficiary

Governmental Balance Sheet and Statement of Net Position

Supplemental Schedule

	Beneficiary			
	Public Schools	**Utah State University**	**Schools for the Deaf**	**Schools for the Blind**
Assets				
Cash with the State Treasurer	$ 1,049,000	$ 15,698	$ 7,508	$ 2,020
Investments, at Fair Value	4,372,140,717	37,425,328	7,421,739	31,965,458
Invested Securities Lending Collateral	188,909,292	1,617,055	320,675	1,381,148
Receivable for Unsettled Trades	78,761,949	674,199	133,699	575,842
Other Receivables	1,424,159	12,191	2,418	10,412
Accrued Interest and Dividends Receivable	265,197	2,270	450	1,939
Prepaid Operating Expenses	611,721	5,236	1,038	4,472
Net Income Receivable from TLA	52,031,418	188,225	78,647	12,232
Total Assets	4,695,193,453	39,940,202	7,966,174	33,953,523
Liabilities				
Securities Lending Liability	188,909,292	1,617,055	320,675	1,381,148
Other Payables	62,647,323	536,258	106,344	458,025
Expense Payable	538,037	4,606	913	3,934
Operating Expense Payable	137,601	1,170	233	994
Total Liabilities	252,232,253	2,159,088	428,166	1,844,101
Fund Balances				
Nonspendable - Permanent Funds	$ 2,405,893,168	$ 26,633,051	$ 5,129,278	$ 15,514,042
Restricted - Earnings Reserve	2,037,068,032	11,148,063	2,408,730	16,595,381
Total Fund Balances	**4,442,961,200**	**37,781,114**	**7,538,008**	**32,109,422**
Total Liabilities and Fund Balances	$ 4,695,193,453	$ 39,940,202	$ 7,966,174	$ 33,953,523
Statement of Net Position				
Restricted for Permanent Trust - Nonexpendable	$ 2,405,893,168	$ 26,633,051	$ 5,129,278	$ 15,514,042
Restricted for Permanent Trust - Expendable	2,037,068,032	11,148,063	2,408,730	16,595,381
Total Net Position	**$ 4,442,961,200**	**$ 37,781,114**	**$ 7,538,008**	**$ 32,109,422**

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			
	Juvenile Justice and Youth Services	Colleges of Education	Reservoirs	Utah State Hospital
Assets				
Cash with the State Treasurer	$ 14,820	$ 3,743	$ 11,181	$ 9,668
Investments, at Fair Value	15,781,257	12,300,421	33,614,207	14,851,188
Invested Securities Lending Collateral	681,869	531,471	1,452,386	641,683
Receivable for Unsettled Trades	284,292	221,586	605,543	267,537
Other Receivables	5,141	4,007	10,949	4,838
Accrued Interest and Dividends Receivable	957	746	2,039	901
Prepaid Operating Expenses	2,208	1,721	4,703	2,078
Net Income Receivable from TLA	150,027	54,946	164,640	113,600
Total Assets	16,920,570	13,118,641	35,865,648	15,891,492
Liabilities				
Securities Lending Liability	681,869	531,471	1,452,386	641,683
Other Payables	226,126	176,250	481,650	212,799
Expense Payable	1,942	1,514	4,137	1,828
Operating Expense Payable	495	384	1,050	466
Total Liabilities	910,432	709,618	1,939,223	856,775
Fund Balances				
Nonspendable - Permanent Funds	$ 11,464,288	$ 7,332,973	$ 22,687,642	$ 9,919,949
Restricted - Earnings Reserve	4,545,850	5,076,050	11,238,783	5,114,768
Total Fund Balances	**16,010,138**	**12,409,023**	**33,926,425**	**15,034,717**
Total Liabilities and Fund Balances	$ 16,920,570	$ 13,118,641	$ 35,865,648	$ 15,891,492
Statement of Net Position				
Restricted for Permanent Trust - Nonexpendable	$ 11,464,288	$ 7,332,973	$ 22,687,642	$ 9,919,949
Restricted for Permanent Trust - Expendable	4,545,850	5,076,050	11,238,783	5,114,768
Total Net Position	**$ 16,010,138**	**$ 12,409,023**	**$ 33,926,425**	**$ 15,034,717**

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			
	College of Mines and Earth Sciences	University of Utah	Miners Hospital	TOTAL
Assets				
Cash with the State Treasurer	$ 8,389	$ 60,896	$ 5,721	**$ 1,188,643**
Investments, at Fair Value	36,098,143	23,204,922	143,163,815	**4,727,967,196**
Invested Securities Lending Collateral	1,559,711	1,002,627	6,185,751	**204,283,666**
Receivable for Unsettled Trades	650,290	418,025	2,579,025	**85,171,987**
Other Receivables	11,758	7,559	46,633	**1,540,064**
Accrued Interest and Dividends Receivable	2,190	1,408	8,684	**286,780**
Prepaid Operating Expenses	5,051	3,247	20,031	**661,506**
Net Income Receivable from TLA	111,980	358,616	440,340	**53,704,671**
Total Assets	38,447,512	25,057,298	152,450,001	**5,074,804,515**
Liabilities				
Securities Lending Liability	1,559,711	1,002,627	6,185,751	**204,283,666**
Other Payables	517,241	332,498	2,051,359	**67,745,873**
Expense Payable	4,442	2,856	17,618	**581,825**
Operating Expense Payable	1,126	733	4,465	**148,718**
Total Liabilities	2,082,520	1,338,713	8,259,193	**272,760,082**
Fund Balances				
Nonspendable - Permanent Funds	$ 25,637,111	$ 15,889,499	$ 86,826,771	**$ 2,632,927,772**
Restricted - Earnings Reserve	10,727,881	7,829,087	57,364,036	**2,169,116,661**
Total Fund Balances	**36,364,992**	**23,718,586**	**144,190,808**	**4,802,044,433**
Total Liabilities and Fund Balances	$ 38,447,512	$ 25,057,298	$ 152,450,001	**$ 5,074,804,515**
Statement of Net Position				
Restricted for Permanent Trust - Nonexpendable	$ 25,637,111	$ 15,889,499	$ 86,826,771	**$ 2,632,927,772**
Restricted for Permanent Trust - Expendable	10,727,881	7,829,087	57,364,036	**2,169,116,661**
Total Net Position	**$ 36,364,992**	**$ 23,718,586**	**$ 144,190,808**	**$ 4,802,044,433**

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			
	Public Schools	**Utah State University**	**Schools for the Deaf**	**Schools for the Blind**
Revenues				
Receipts from Trust Lands Administration	$ 157,095,472	$ 2,266,414	$ 881,758	$ 888,991
Earnings on Investments	648,021,642	5,437,967	1,051,883	4,761,779
Total Revenues	805,117,114	7,704,381	1,933,641	5,650,770
Expenditures				
Fund Operating Expenses	5,825,149	49,214	9,583	42,732
Total Expenditures	5,825,149	49,214	9,583	42,732
Revenues over Expenditures	799,291,965	7,655,167	1,924,058	5,608,038
Other Financing Uses				
Distributions to Beneficiaries	116,888,486	862,129	200,982	1,208,573
Net Change in Fund Balance	682,403,479	6,793,038	1,723,077	4,399,464
Fund Balances - Beginning of Year	3,760,557,722	30,988,076	5,814,932	27,709,958
Fund Balances - End of Year	$ 4,442,961,200	$ 37,781,114	$ 7,538,008	$ 32,109,422
	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	$ 682,403,479	$ 6,793,038	$ 1,723,077	$ 4,399,464

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			
	Juvenile Justice and Youth Services	Colleges of Education	Reservoirs	Utah State Hospital
Revenues				
Receipts from Trust Lands Administration	$ 1,772,926	$ 416,328	$ 690,950	$ 1,398,154
Earnings on Investments	2,223,213	1,829,199	4,996,534	2,052,194
Total Revenues	3,996,139	2,245,527	5,687,484	3,450,348
Expenditures				
Fund Operating Expenses	20,176	16,418	44,769	19,450
Total Expenditures	20,176	16,418	44,769	19,450
Revenues over Expenditures	3,975,963	2,229,110	5,642,715	3,430,898
Other Financing Uses				
Distributions to Beneficiaries	283,374	429,233	932,055	379,995
Net Change in Fund Balance	3,692,589	1,799,877	4,710,660	3,050,902
Fund Balances - Beginning of Year	12,317,549	10,609,146	29,215,766	11,983,815
Fund Balances - End of Year	$ 16,010,138	$ 12,409,023	$ 33,926,425	$ 15,034,717
Change in Net Position-Government Activities	$ 3,692,589	$ 1,799,877	$ 4,710,660	$ 3,050,902

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			
	College of Mines and Earth Sciences	University of Utah	Miners Hospital	TOTAL
Revenues				
Receipts from Trust Lands Administration	$ 702,539	$ 4,808,907	$ 11,396,206	**$ 182,318,644**
Earnings on Investments	5,403,841	3,218,190	20,523,489	**699,519,930**
Total Revenues	6,106,380	8,027,097	31,919,694	**881,838,574**
Expenditures				
Fund Operating Expenses	47,812	29,533	184,970	**6,289,805**
Total Expenditures	47,812	29,533	184,970	**6,289,805**
Revenues over Expenditures	6,058,568	7,997,564	31,734,724	**875,548,769**
Other Financing Uses				
Distributions to Beneficiaries	721,287	592,420	4,294,587	**126,793,122**
Net Change in Fund Balance	5,337,282	7,405,143	27,440,137	**748,755,648**
Fund Balances - Beginning of Year	31,027,710	16,313,442	116,750,671	**4,053,288,785**
Fund Balances - End of Year	$ 36,364,992	$ 23,718,586	$ 144,190,808	**$ 4,802,044,433**
Change in Net Position-Government Activities	$ 5,337,282	$ 7,405,143	$ 27,440,137	**$ 748,755,648**

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	$	3,493,537
SITBAO Office Budget		636,394
Audit Expense		58,318
Investment Systems and Publications		363,675
Consulting Services		918,984
Legal Expense		80,336
Custodial Banking Services		738,560
Subtotal Fund Operating Expenses	**$**	**6,289,805**
Invoiced Investment Management (IM) Fees		
Bin Yuan	$	117,350
Hatch Cove		743,233
Loomis		395,880
Parametric		606,818
SLC Management		52,839
Westwood		639,489
Subtotal Invoiced IM Fees	**$**	**2,555,608**
Total Fund Operating Expenses and Invoiced IM Fees	**$**	**8,845,413**

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.

SITBAO: School and Institutional Trust Beneficiary Advocacy Office.

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 2026	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception	Inception Date
Total Fund	**17.2%**	**12.9%**	**8.2%**	**8.0%**	**7.5%**	June 2003
CPI+5%	8.7%	8.2%	9.4%	8.5%		
Total Fund Interim Target Index*	12.8%	10.1%	6.5%	7.8%	7.3%	

Beneficiary	**FY 2026**	**3 Year Annualized**	**5 Year Annualized**	**10 Year Annualized**	**Since Inception**	**Inception Date**
Public Schools	17.3%	12.9%	8.2%	8.0%	7.5%	June 2003
Utah State University	17.3%	12.9%	8.1%	7.9%	7.0%	June 2003
Schools for the Deaf	17.4%	12.9%	8.2%	8.0%	7.2%	June 2003
Schools for the Blind	17.3%	12.9%	8.2%	8.0%	7.2%	June 2003
Juvenile Justice and Youth Services	17.4%	12.9%	8.2%	8.0%	7.0%	June 2003
Colleges of Education	17.3%	12.9%	8.2%	8.0%	7.4%	June 2003
Reservoirs	17.3%	12.9%	8.2%	8.0%	7.1%	June 2003
Utah State Hospital	17.4%	12.9%	8.2%	8.0%	7.0%	June 2003
College of Mines and Earth Sciences	17.3%	13.0%	8.2%	8.0%	6.8%	June 2003
University of Utah	17.4%	13.0%	8.2%	8.0%	6.9%	June 2003
Miners Hospital	17.4%	12.9%	8.2%	8.0%	7.1%	June 2003

*The Total Fund Interim Target Index as of June 30, 2026 consists of 45.00% Growth Interim Target Index, 16.25% Real Assets Interim Target Index, 28.75% Income Interim Target Index and 10.00% Defensive Interim Target Index.

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

This report has been prepared using best available data and benchmarks are 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 2026	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception	Inception Date
Total Fund	17.2%	12.9%	8.2%	8.0%	7.5%	June 2003
CPI+5%	8.7%	8.2%	9.4%	8.5%		
Total Fund Interim Target Index (1)	12.8%	10.1%	6.5%	7.8%	7.3%	

Investment Theme	FY 2026	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception	Inception Date
Growth	23.1%	17.3%	10.0%	11.6%	9.6%	June 2003
Growth Interim Target Index (2)	19.7%	15.9%	9.2%	12.0%	9.6%	
Real Assets	14.9%	9.7%	9.6%	7.3%	5.8%	December 2007
Real Assets Interim Target Index (3)	6.8%	3.2%	3.1%	4.7%	1.5%	
Income	9.3%	11.0%	6.8%	5.3%	4.7%	June 2003
Income Interim Target Index (4)	6.2%	8.1%	5.7%	5.6%	4.9%	
Defensive	15.6%	4.2%	1.5%	1.6%	4.3%	June 2003
Defensive Interim Target Index (5)	11.0%	3.4%	2.2%	2.8%	2.4%	

- (1) The Total Fund Interim Target Index as of June 30, 2026 consists of 45% Growth Interim Target Index, 16.25% Real Assets Interim Target Index, 28.75% Income Interim Target Index and 10% Defensive Interim Target Index.
- (2) The Growth Interim Target Index currently consists of the actual allocation of MSCI ACWI IMI Index and the actual allocation of Hamilton Lane Private Equity Benchmark.
- (3) The Real Assets Interim Target Index currently consists of the actual allocation of S&P Real Assets Equity Net Index and the actual allocation of Hamilton Lane Private Assets Benchmark.
- (4) The Income Interim Target Index currently consists of the actual allocation of Bloomberg US High Yield 1-3 Year Index and the actual allocation of Hamilton Lane Private Income Benchmark.
- (5) The Defensive Interim Target Index currently consists of the actual allocation of the Duration Benchmark and the actual allocation of the Convexity Benchmark.

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

This report has been prepared using best available data and benchmarks are 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)
CHINA INTL CAPITAL CORP HK SECS LTD	2,738,706	$ 17,974,773	$ 12,584	0.0046	0.0700%
CITADEL SECURITIES LLC	513,020	19,744,250	4,147	0.0081	0.0210%
GOLDMAN SACHS	42,247,010	493,540,833	508,882	0.0120	0.1031%
HSBC	4,385,566	34,947,553	17,063	0.0039	0.0488%
INSTINET	1,170,141	41,806,503	9,261	0.0079	0.0222%
MORGAN STANLEY	7,171,513	25,218,725	7,986	0.0011	0.0317%
NORTHERN TRUST	3,744,928	124,038,905	78,509	0.0210	0.0633%
PIPER JAFFRAY & CO	1,258,837	119,119,659	7,919	0.0063	0.0066%
UBS	3,197,562	23,764,032	18,195	0.0057	0.0766%
XP INVESTIMENTOS CCTVM SA	2,797,400	9,914,172	14,871	0.0053	0.1500%
Total	**69,224,683**	**$ 910,069,405**	**$ 679,418**	**0.0098**	**0.0747%**

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, 2026, 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, 2026.

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 or significant deficiencies may exist that were not identified.

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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.

Eide Bailly LLP

Salt Lake City, Utah
October 9, 2026

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 the requirements governing the calculation and distribution of State School Fund investment earnings and the allocation of trust-land money among the applicable trust beneficiaries under *Utah Code*, Sections 53F-9-201 and 53C-3-102(7), respectively, that could have a direct and material effect on distributions made for the year ended June 30, 2026.

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, 2026.

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 *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 Responsibilities 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 to 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 and *Government Auditing Standards*, will always detect material noncompliance when it exists. The risk of not detecting 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, it 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.

Eide Bailly LLP

October 9, 2026
Salt Lake City, Utah