

**Minutes of the Meeting of the
Board of University and School Lands
July 9, 2026**

The July 9, 2026, meeting of the Board of University and School Lands was called to order at 9:01 AM by Chairman Governor Armstrong, the Pledge of Allegiance was recited and roll call was taken.

Members Present:

Thomas Beadle	Treasurer
Drew Wrigley	Attorney General
Michael Howe	Secretary of State
Kelly Armstrong	Governor

Members Absent:

Levi Bachmeier	Superintendent of Public Instruction
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Department of Trust Lands Personnel Present:

Joseph Heringer	Commissioner
Catelin Newell	Director of Admin Svcs & IT
Kate Schirado	Executive Assistant
Rick Owings	Administrative Staff Officer
Frank Mihail	Chief Investment Officer
Chris Suelzle	Minerals Division Director
Peggy Gudvangen	Finance Director
Emily Bosch	Unclaimed Property
Susan Sommerfeld	Unclaimed Property Director
Shaun Campbell	Investments Officer
Scott Giere	Revenue Compliance
Akshay Patel	Investment Officer
Kris Snow	Revenue Compliance
James Wald	Legal Council
Maria Iversen	Finance
Jennifer Bennett	Unclaimed Property
Jessica Fretty	Unclaimed Property
Laurie Crosby	Administrative Assistant
Ryan Kobilansky	Surface Range Soils Management Specialist

Guests in Attendance:

Jacy Schafer	Office of the Governor
Teagan Erbele	Office of the Governor: Intern
Chris Joseph	Office of the Governor
Jacob Orledge	North Dakota Monitor
Brady Pelton	NDPC
Geoff Simon	Western Dakota Energy Association
Kevin Balaod	WithIntelligence (Journalist)
Josh Kevan	RVK
Art Greenwood	Fidelity

(07/09/26)

Christine Thorpe
Colin Rajala

Fidelity

APPROVAL OF MINUTES

A motion to approve minutes of the May 28, 2026, meeting was made by Treasurer Beadle and the motion was seconded by Attorney General Wrigley and the motion carried unanimously on a voice vote.

OPERATIONS

Commissioner's Report

- Theodore Roosevelt Presidential Library Grand Opening – attended several events surrounding the July 4, 2026, grand opening; amazing venue and very educational; great for North Dakota!
- National Assoc. of State Trust Lands 2026 Annual Conference – Medora – July 12-15, 2026 – this exciting event starts in a few days and we are ready! registration numbers are strong totaling around 150 attendees, vendors, sponsors & guests

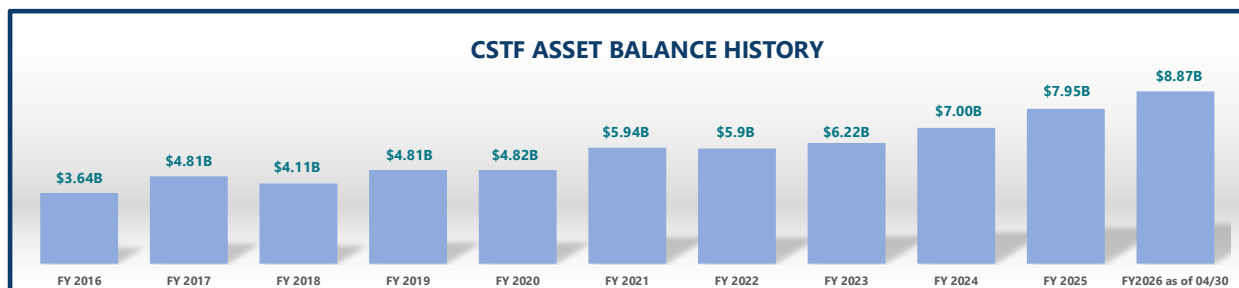
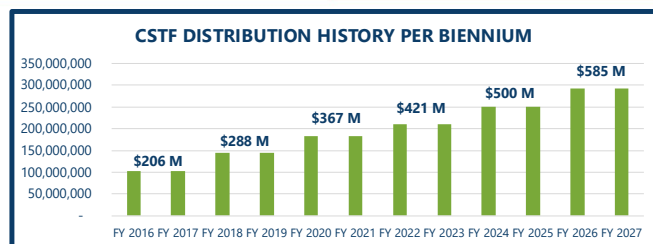
Financial Dashboard



**CSTF ASSET BALANCE as of 04/30/2026
(unaudited)**

\$8,869,170,327

**+\$1.3 billion year-over-year from 04/30/2025
balance of \$7.56 billion**



(07/09/26)

COMMON SCHOOLS TRUST FUND 2025 -27 (CSTF) DISTRIBUTIONS

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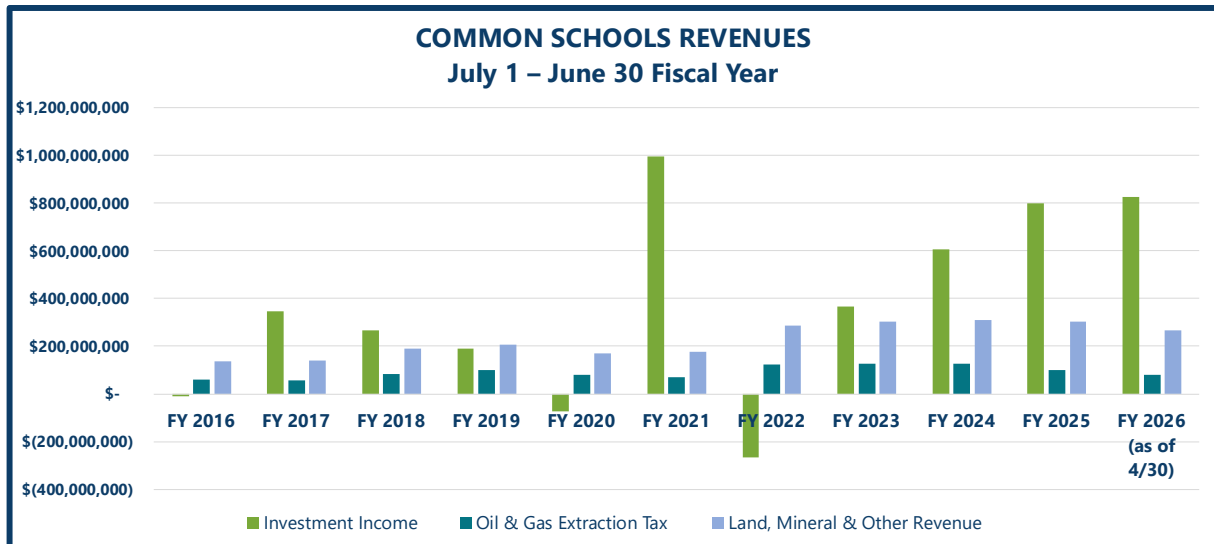
Monthly Distribution to the State Tuition Fund for the 2025-27 Biennium \$32,500,000
Multiplied by 9 months per year = \$292,500,000
Divided by 116,598 students = \$2,508/student per year

North Dakota Cost to Educate Per Student \$13,778/year
75.7% State Funding Share = \$10,430
\$2,508 CSTF per Student Annual Distribution **=24% of state funding share**



COMMON SCHOOLS TRUST FUND (CSTF) OVERVIEW

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STRATEGIC INVESTMENT & IMPROVEMENT FUND (SIIF) OVERVIEW

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SIIF BALANCE as of 04/30/2026 (unaudited)

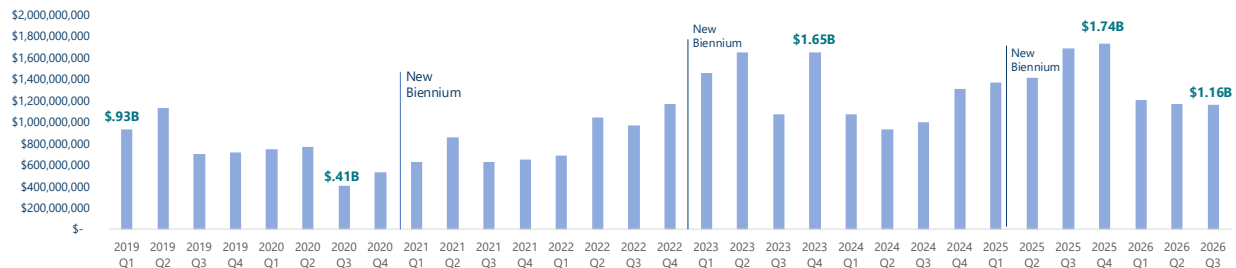
Total Balance - \$1,163,922,935

As of April 30, 2026, SIIF had an estimated fund balance of \$1,163,922,935. The fund balance consists of committed and uncommitted portions.

The committed fund balance includes amounts reserved for specific purposes. As of April 30, 2026, \$43,125,403 is committed for potential title disputes. In addition, the Legislature has appropriated a committed fund balance estimated at \$966,309,153.

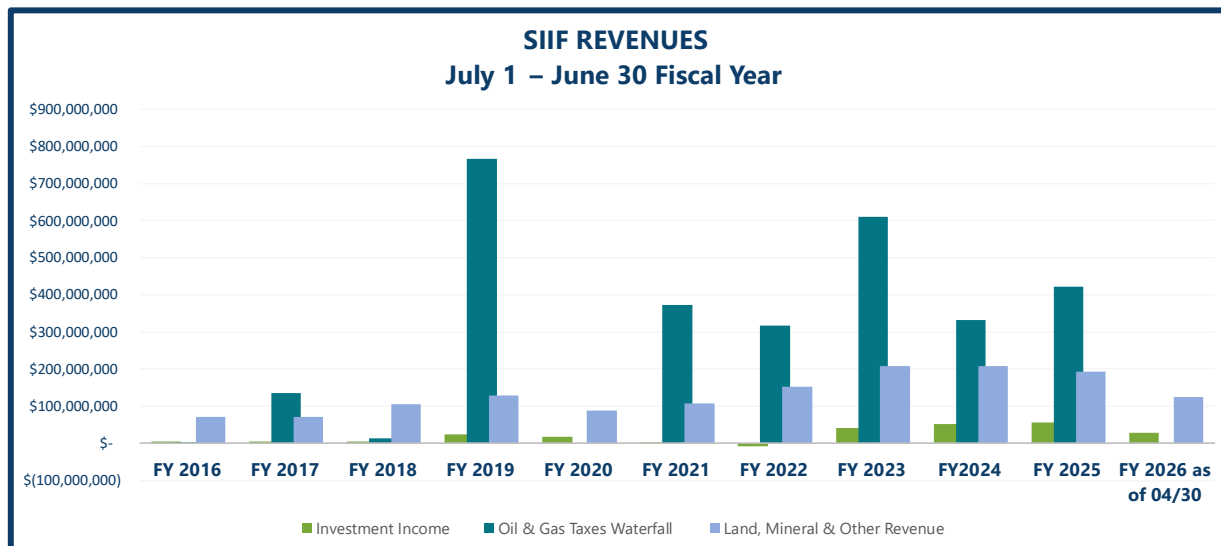
The uncommitted fund balance is estimated at \$154,488,379. This portion represents funding that remains unencumbered and available for future allocation.

SIIF QUARTERLY BALANCE HISTORY (UNAUDITED)



STRATEGIC INVESTMENT & IMPROVEMENT FUND (SIIF) HIGHLIGHTS

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ALLOCATION OF STATE SHARE OF OIL & GAS TAXES
Based on Allocations through May 31, 2026

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■ AMOUNT ALLOCATED ■ AMOUNT REMAINING

State General Fund

\$250M

Social Services Fund

\$250M

Budget Stabilization Fund

\$75M

Currently at cap,
receives no oil allocations

State General Fund

\$82.8M

\$167.2M

Lignite Research Fund

\$10M

State Disaster Relief Fund

\$20M

Non-oil Producing Political Subdivision Infrastructure Funds

Municipal \$80M

County/
Township \$80M

Public Employees Retirement Fund

\$65M

Airport Infrastructure Fund

\$20M

Strategic Investment & Improvements Fund (SIIF)

Remaining

ESTIMATED TOTAL NET ASSETS as of 02/28/2026

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Mineral Tracker Valuation
as of June 2025, on
2.6 million Mineral Acres
\$2,177,250,937



Surface Fair Market Value
as of April 2026, on
706,000 Surface Acres
\$779,400,717



Estimated Total Net Assets*
as of April 30, 2026

\$12,439,287,134

* Total excluding SIIF

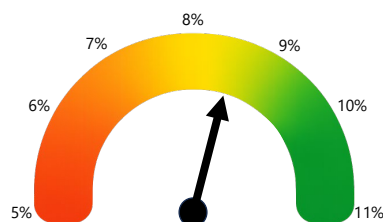


DTL GAUGE CHECK

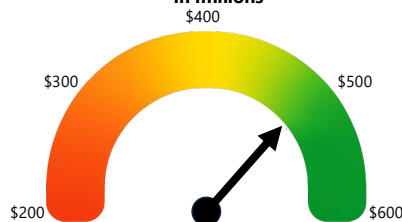
As of March 31, 2026

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CSTF 5 YEAR AVERAGE GROWTH



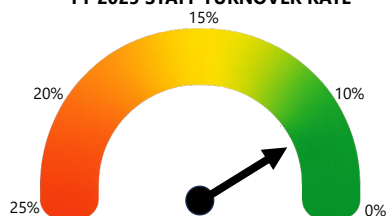
FY 2025 ROYALTIES, BONUS, RENT INCOME
in millions



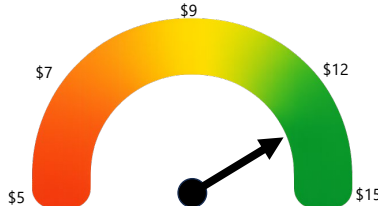
5 YEAR AVERAGE INVESTMENT RETURN



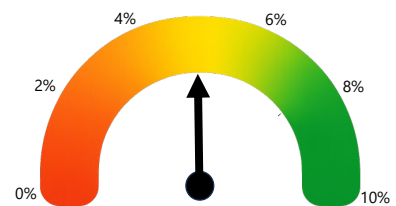
FY 2025 STAFF TURNOVER RATE



FY 2025 UNCLAIMED PROPERTY CLAIMS PAID
in millions



% LEFT OF ENDING 2025-27 BUDGET



DIVISION REPORTS

SURFACE

SURFACE DIVISION
ENCUMBRANCES ISSUEDNORTH
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Encumbrances issued by the Commissioner: 18 Right of Way Agreements in May generated a total of \$64,927 in income for the Trusts. 18 Right of Way Agreements in June generated a total of \$633,419 in income for the Trusts.



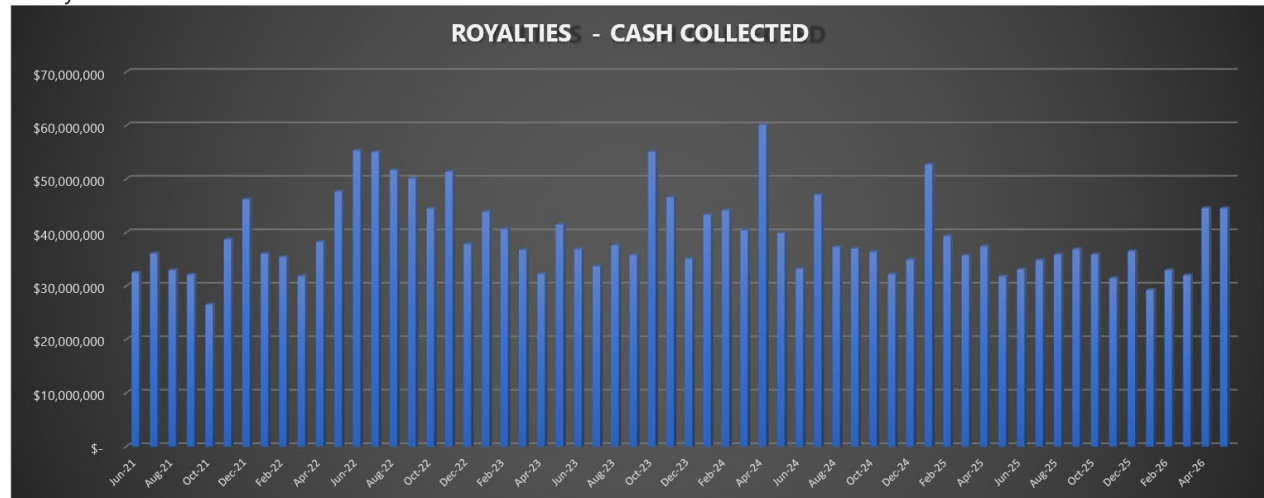
Photo Credits: Wildflowers on Trust Lands - Prairie Smoke by Jacob Lardy, Sweat Bee on Blanket Flower by Garret Hecker, Canada Anemone by Jacob Lardy.

MINERALS

MINERALS DIVISION
FISCAL YTD O/G ROYALTIES

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As of May 31, 2026*, for fiscal year 2026 the Department has received **\$394,590,698** in royalties as compared to **\$421,788,582** last fiscal year at this time.

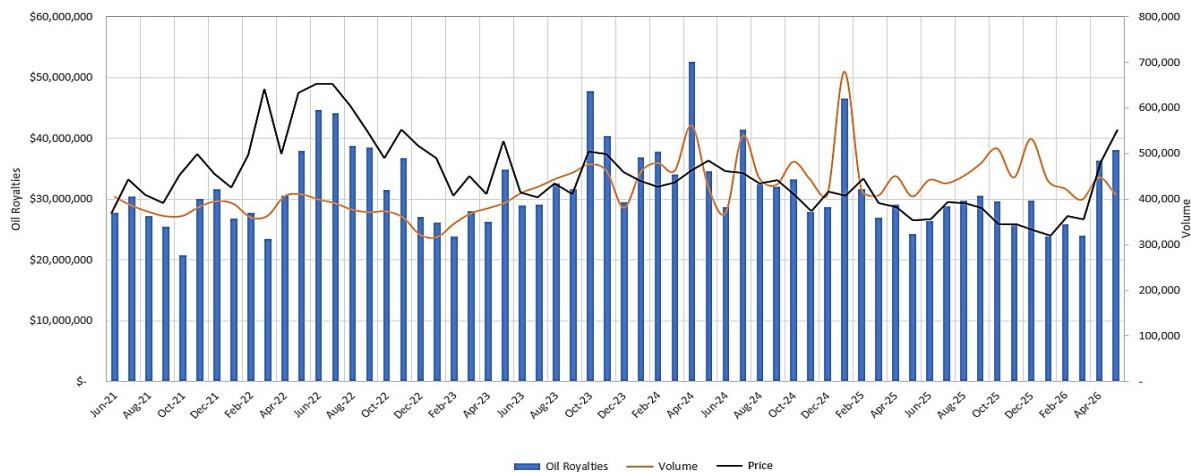


*May royalty revenue is from March gas production and April oil production.

PRICE MAIN DRIVER OF O/G ROYALTIES

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In the early years production growth was the driver of the Department's royalty increases. Now that our net monthly production has been more stable, averaging 451,727 barrels per month over the past twelve months, the price of oil & gas is the main driver of monthly royalty variations.



UNCLAIMED PROPERTY

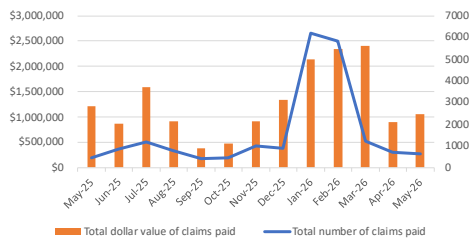
UNCLAIMED PROPERTY DIVISION

<https://unclaimedproperty.nd.gov>

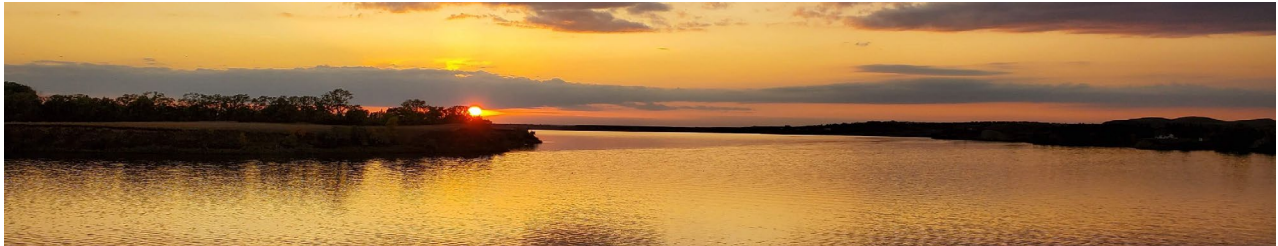
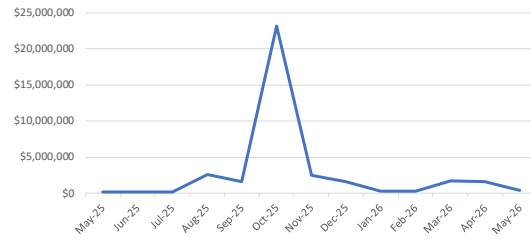
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For the month of May 2026, the Division paid 636 regular claims with \$1,050,110 returned to rightful owners. The Division also received 104 holder reports with a dollar value of \$464,426.

CLAIMS PAID



TOTAL VALUE OF PROPERTY REPORTED



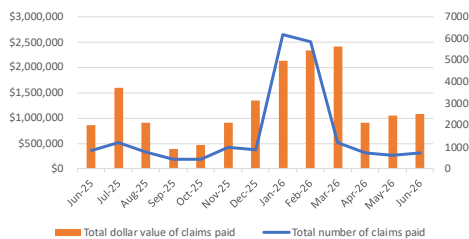
UNCLAIMED PROPERTY DIVISION

<https://unclaimedproperty.nd.gov>

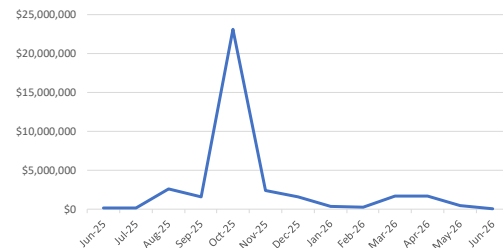
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For the month of June 2026, the Division paid 730 claims with \$1,087,082 returned to rightful owners. The Division also received 124 holder reports with a dollar value of \$109,122.

CLAIMS PAID



TOTAL VALUE OF PROPERTY REPORTED



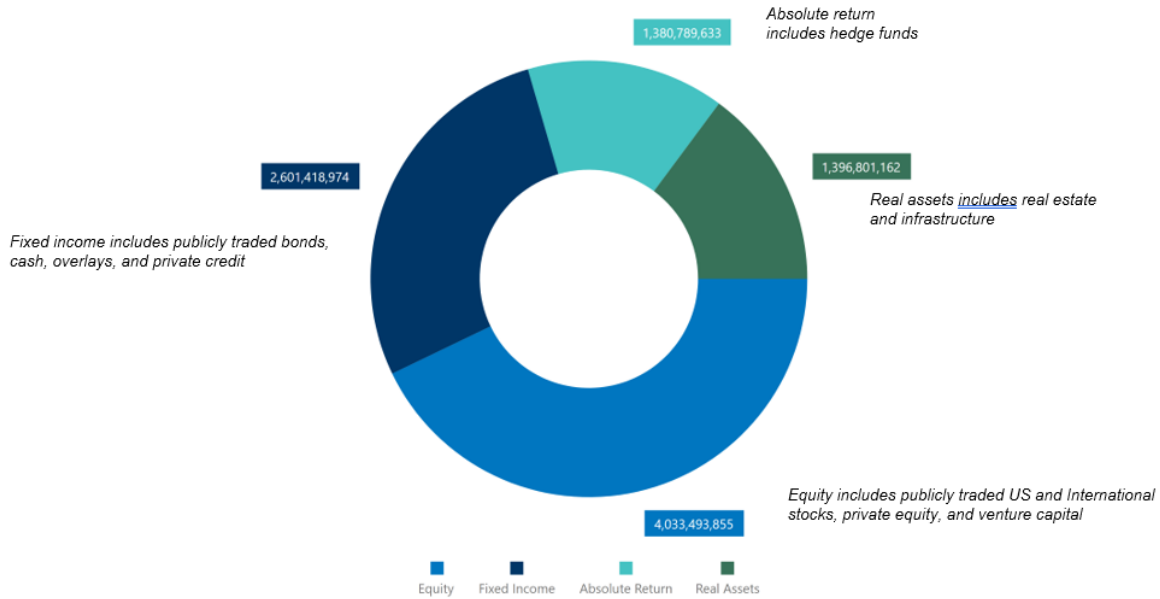
INVESTMENTS

BOARD OF UNIVERSITY AND SCHOOL LANDS
JULY 9, 2026

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Report as of 6/30/2026

Asset Allocation

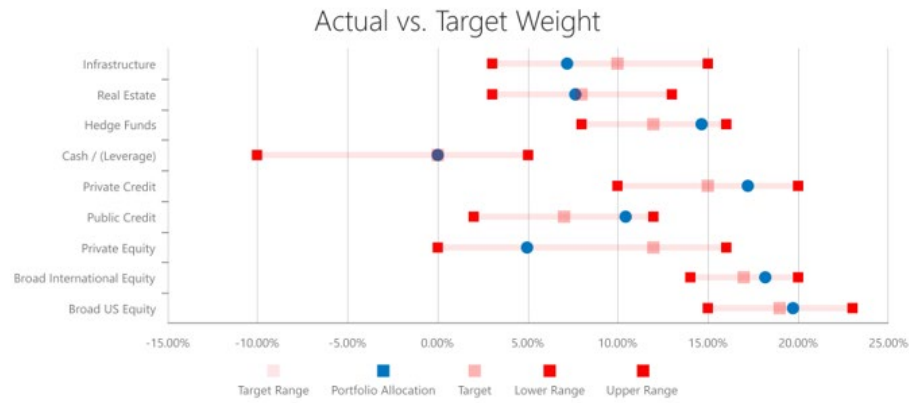


Asset	Total Value	% Of All Value
All	9,412,503,624	100%
Equity	4,033,493,855	43%
Fixed Income	2,601,418,974	28%
Absolute Return	1,380,789,633	15%
Real Assets	1,396,801,162	15%

BOARD OF UNIVERSITY AND SCHOOL LANDS
JULY 9, 2026

NORTH
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Report as of 6/30/2026



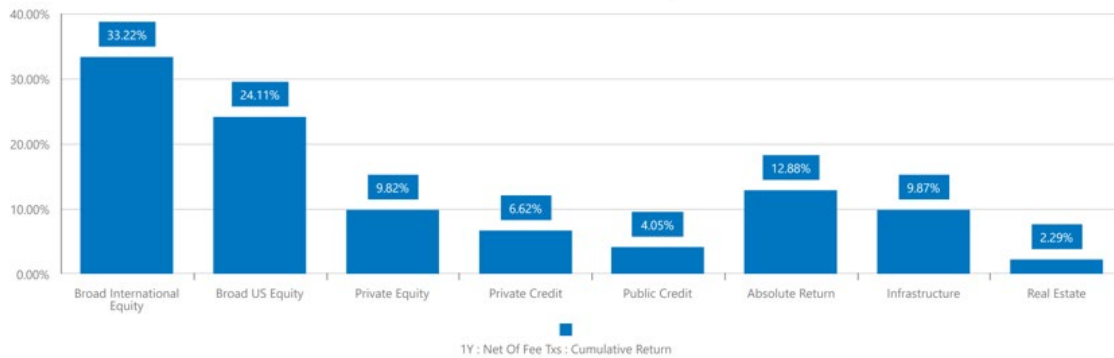
Asset ↕	Total Value ↕	% Of All Value ↕	Target Weight ↕	Over/Under % ↕	Over/Under \$ ↕
All (MTD) ▼	9,412,503,624	100%	100%	0%	--
Equity ▼	4,033,493,855	42.85%	48%	-5.15%	-484,507,885
Private Equity ▶	465,490,203	4.95%	12%	-7.05%	-664,010,232
Broad International Equity ▶	1,711,992,442	18.19%	17%	1.19%	111,866,825
Broad US Equity ▶	1,856,011,210	19.72%	19%	0.72%	67,635,521
Fixed Income ▼	2,601,418,974	27.64%	22%	5.64%	530,668,177
Private Credit ▶	1,618,022,480	17.19%	15%	2.19%	206,146,936
Public Credit ▶	983,396,494	10.45%	7%	3.45%	324,521,240
Absolute Return ▶	1,380,789,633	14.67%	12%	2.67%	251,289,198
Real Assets ▼	1,396,801,162	14.84%	18%	-3.16%	-297,449,490
Infrastructure ▶	677,463,784	7.2%	10%	-2.8%	-263,786,579
Real Estate ▶	719,337,378	7.64%	8%	-0.36%	-33,662,912

(07/09/26)

Report as of 6/30/2026

Flash Performance Report

Unaudited preliminary estimates



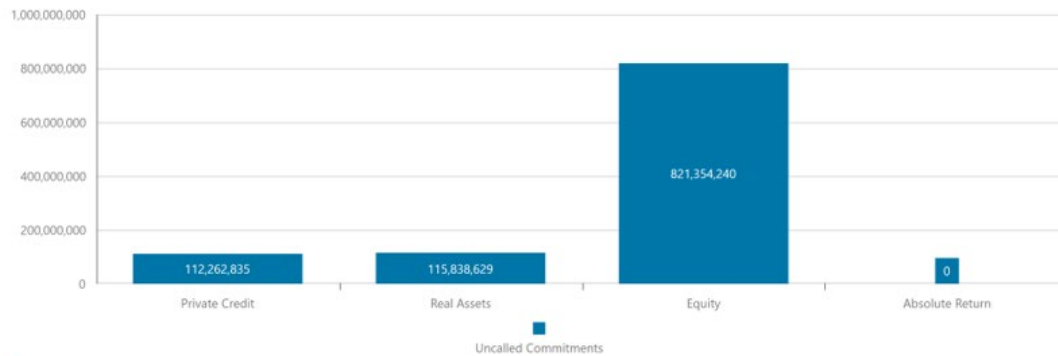
	MTD	QTD	YTD	FYTD	1Y
	Net of Fees Txs				
Asset ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕
Total Portfolio ▼	0.59%	6.75%	7.03%	14.58%	14.58%
Equity ▼	0.66%	14.28%	13.56%	26.52%	26.52%
Broad International Equity ▶	0.69%	15.61%	17.43%	33.22%	33.22%
Broad US Equity ▶	0.79%	16.64%	13.12%	24.11%	24.11%
Private Equity ▶	0%	0.01%	0.3%	9.82%	9.82%
Fixed Income ▼	0.1%	0.59%	1.45%	5.52%	5.52%
Private Credit ▶	0.03%	0.68%	1.93%	6.62%	6.62%
Public Credit ▶	0.2%	0.46%	0.77%	4.05%	4.05%
Absolute Return ▶	1.98%	6.44%	6.22%	12.88%	12.88%
Real Assets ▼	0%	0%	1.87%	5.42%	5.42%
Infrastructure ▶	0%	0.01%	3.21%	9.87%	9.87%
Real Estate ▶	0%	0%	0.79%	2.29%	2.29%

BOARD OF UNIVERSITY AND SCHOOL LANDS
JULY 9, 2026

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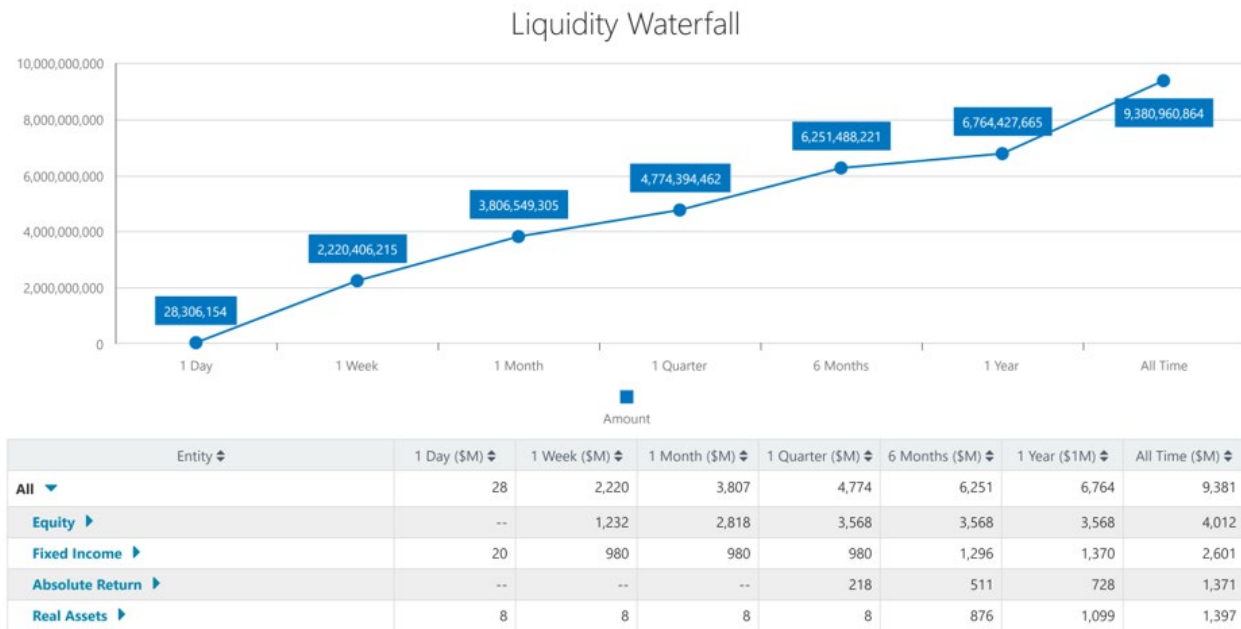
Report as of 6/30/2026

Uncalled Commitments



Asset ↕	Commitment (\$M) ↕	Funded Commitment (\$M) ↕	Uncalled Commitments (\$M) ↕
All (MTD) ▾	4,766	3,716	1,049
TPG Angelo Gordon ▶	350	340	10
GCM Grosvenor ▶	580	253	327
Hamilton Lane ▶	50	29	21
JP Morgan Investment Management ▶	343	243	100
Khosla Ventures ▶	85	52	33
Monarch ▶	120	101	19
Blue Owl ▶	175	89	86
a16z ▶	110	55	55
Industry Ventures ▶	50	14	36
Pantheon ▶	100	33	67
Neuberger Berman ▶	300	--	300

Report as of 6/30/2026



Measures how long it would take to liquidate the entire portfolio

Public Credit – Core Bonds

Core bonds currently represent 10% of the portfolio, a \$300M overweight to the 7% long term target. The goal of this proposal is to add incremental return enhancement to the bond portfolio by shifting from passive to active management and increasing the risk profile from core to core plus.

The current passive core bond index is comprised of 10,000 bonds diversified across 50% US Treasuries, 25% mortgage-backed securities and 25% corporate credit. With intermediate duration (5-7 years) and AA credit quality, core bonds are the most liquid and conservative part of the land board investment portfolio.

Staff recommends adding core plus exposure to the bond portfolio. Core plus strategies allow the investment manager to pursue enhanced returns by increasing duration or lowering credit quality through strategic and tactical use of high yield credit, emerging market debt and leveraged loans.

Staff and RVK recommend hiring Fidelity Institutional Asset Management (FIAM) Core Plus. FIAM is a privately owned institutional investment manager with over 1,000

employees and \$7T in assets under management. The fixed income division is based in Merrimack, NH with 280 professionals and 2.5T in assets under management.

FIAM Core Plus will target 150-250 bps of tracking error relative to the Bloomberg US Aggregate Index by investing up to 30% of the portfolio into non-benchmark securities such as high yield credit, emerging market debt and leveraged loans.

Proceeds for initial account funding will be sourced from a partial transfer of SSGA US Aggregate Bond Index.

MOTION: The Board approve hiring Fidelity Core Plus with initial accounting size of \$650M, subject to standard legal review/documentation.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Howe		X	X		
Superintendent Bachmeier					X
Treasurer Beadle	X		X		
Attorney General Wrigley			X		
Governor Armstrong			X		

The Fidelity Core Plus Recommendation was presented by RVK and the Fidelity Core Plus information was presented by Fidelity and those presentations are available from the Department upon request.

1st Quarter Performance Report

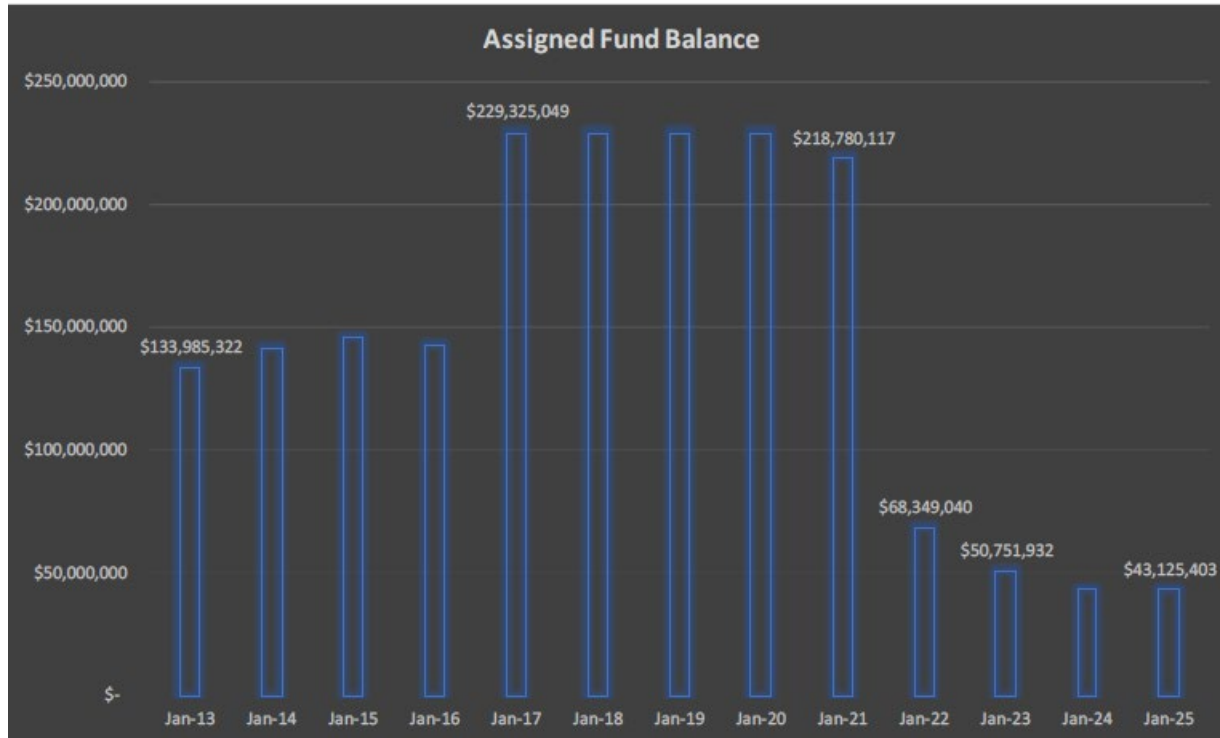
The 1st Quarter Performance Report was presented by RVK and that presentation is available from the Department upon request.

Strategic Investment and Improvements Fund (SIIF) - Assigned Fund Balance

On August 20, 2025, the Board approved the existing assigned fund balance of \$43,125,403. Since then, the Board initiated the ordinary high water mark quiet title lawsuit against the federal government which added riverbed parcels to our active litigation list. That, along with other minor adjustments, resulted in an approximately \$10,700,000 net increase to the recommended assigned fund balance.

	6/30/2026 Recommended Assigned Fund Balance	
Fort Berthold Reservation Riverbed Dispute Bonus	\$	34,379,816
Fort Berthold Reservation Riverbed Royalties		2,872,262

Wenk Line Litigation Bonus (Public Domain)	6,534,345
Wenck Line Litigation Royalties (Public Domain)	9,999,886
Recommended Assigned Fund Balance	\$ 53,786,309



MOTION: For purposes of its financial reporting, the Board set the “Assigned Fund Balance” of the Strategic Investment and Improvements Fund at \$53,786,309 as of June 30, 2026.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Howe		X	X		
Superintendent Bachmeier					X
Treasurer Beadle	X		X		
Attorney General Wrigley			X		
Governor Armstrong			X		

LITIGATION

Litigation Update

- **Mandan, Hidatsa, and Arikara Nation v. United States Department of the Interior**

Case Summary: Missouri riverbed ownership – Quiet title action brought by the federal government is proceeding, with discovery now complete; the U.S. and MHA filed separate summary judgment motions; Court issued January 6, 2026, Opinion & Order denying both motions and ordering parties to prepare for trial; U.S. filed a motion to dismiss its quiet title claim which both North Dakota and MHA are opposing; due to scheduling issues, the trial has been rescheduled to start December 7, 2026, in Washington, D.C.

Commencement: July 2020

ND Assigned Attorneys: Phil Axt, North Dakota Solicitor General
Matthew Sagsveen, AG Dir. of Natural Resources and Native American Affairs
James Auslander, Kathryn Tipple, Peter Schaumberg, and Nessa Coppinger (Beveridge & Diamond, Washington, D.C.)

Counsel for MHA: Steven D. Gordon (Holland & Knight's Washington, D.C.)
Philip Merle Baker-Shenk (Holland & Knight's Washington, D.C.)
Timothy Purdon (Robins Kaplan, Bismarck, ND)
Timothy Billion (Robins Kaplan, Minneapolis, MN)

Counsel for United States: Cody L.C. McBride, Emmi Blades, Peter W. Brocker, Rebecca M. Ross

Court: United States District Court for the District of Columbia

Judge: Honorable Amy Berman Jackson

Win = North Dakota owns historical Missouri Riverbed (mineral rights) through Fort Berthold Indian Reservation resulting in release to state of tens of millions of dollars in withheld oil & gas royalties.

Lose = U.S. owns the riverbed in trust for MHA Nation, so royalties are released to the tribe

- **State of North Dakota v. United States of America (OHWM Quiet Title Action)**

Case Summary: Quiet title action brought by the North Dakota Attorney General's Office on behalf of the Land Board to implement the Continental Interpleader final rulings by the 8th Circuit Court of Appeals regarding what law applies for determining the ordinary high-water mark when federal lands abut the active Missouri River channel and/or historic riverbed. Complaint filed December 15, 2025; federal Defendants response deadline extended to July 29, 2026

Commencement: December 2025

ND Assigned Attorneys: Phil Axt, North Dakota Solicitor General
Danielle DiMauro, Welborn Sullivan Meck & Tooley
Brian Tooley, Welborn Sullivan Meck & Tooley

Counsel for Defendant(s): TBD

Court: North Dakota Federal District Court

Judge: Honorable Daniel Hovland

Under the authority of North Dakota Century Code Section 44-04-19.1, the Board closes the meeting to the public to go into executive session for purposes of attorney consultation regarding:

- **Acreage Adjustment Oil & Gas Lease Issue**

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Howe			X		
Superintendent Bachmeier					X
Treasurer Beadle		X	X		
Attorney General Wrigley	X		X		
Governor Armstrong			X		

The Board entered executive session at 9:54 AM.

EXECUTIVE SESSION

Members Present:

Kelly Armstrong	Governor
Michael Howe	Secretary of State
Thomas Beadle	Treasurer
Drew Wrigley	Attorney General

Department of Trust Lands Personnel present:

Joseph Heringer	Land Commissioner
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Catelin Newell
Kate Schirado
Chris Suelzle
James Wald

Administrative Staff Officer
Executive Assistant
Minerals Division Director
Legal Council

Guests in Attendance:

Jacy Schafer
Chris Joseph

Office of the Governor
Office of the Governor

The executive session adjourned at 10:26 AM and the Board returned to the open session meeting. During executive session the Board discussed an acreage adjustment oil & gas lease issue with its attorneys. No formal action was taken when the open meeting was reconvened.

A D J O U R N

There being no further business, the meeting was adjourned at 10:26 AM.

Governor Armstrong, Chairman
Board of University and School Lands

Joseph Heringer, Secretary
Board of University and School Lands