

**Minutes of the Meeting of the  
Board of University and School Lands  
May 29, 2025**

The May 29, 2025, meeting of the Board of University and School Lands was called to order at 9:01 AM by Chairman Governor Armstrong, roll call was taken and the Pledge of Allegiance was recited.

**Members Present:**

Michael Howe	Secretary of State
Kirsten Baesler	Superintendent of Public Instruction
Thomas Beadle	Treasurer
Kelly Armstrong	Governor
Drew Wrigley	Attorney General

**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
Elvedina Papalichev	Paralegal
Adam Otteson	Revenue Compliance Division Director
Susan Sommerfeld	Unclaimed Property Director
Peggy Gudvangen	Finance Director
Shaun Campbell	Investments Officer
Scott Giere	Revenue Compliance
Emily Bosch	Unclaimed Property
Amanda Parent	Minerals Management Officer
Ryan Kobilansky	Surface Range Soils Management Specialist
Chris Suelzle	Minerals Division Director
Jacob Lardy	Land Management Specialist
Akshay Patel	Investment Officer
Kris Snow	Revenue Compliance
Joseph Stegmiller	Surface Division Director
Jessica Ulmer	Unclaimed Property
Maria Garcia	Finance
Kristie McCusker	Minerals Management Officer
Lynn Spencer	Minerals Title Specialist

**Guests in Attendance:**

Jacy Schafer	Office of the Governor
Reed Johnson	Office of the Governor
Matt Sagsveen	Office of the Attorney General
Suzie Weigel	Office of the Attorney General
Jennifer Sandberg	RVK
Josh Kevan	RVK
Brady Pelton	NDPC
Jacob Orledge	Dakota Monitor

Lynn Hart  
Kevin Balaod  
Veto Jones  
C. Rajala  
Charles Tuttle  
Eva Saad

OMB HRMS  
WithIntelligence (Journalist)

## **A P P R O V A L   O F   M I N U T E S**

A motion to approve the minutes of the May 6, 2025, meeting was made by Treasurer Beadle and the motion was seconded by Secretary Howe and the motion carried unanimously on a voice vote.

## **O P E R A T I O N S**

### **Commissioner's Report**

#### **Special Mention Events**

- Lignite Research Council - attended May 7, 2025, grant round meeting as a voting member where two proposals were recommended for approval to the Industrial Commission
- State Investment Board Investment Committee - attended May 9, 2025, meeting as Vice Chair
- State Investment Board - attended May 16, 2025, full State Investment Board meetings as a voting member
- National Association of State Trust Lands – attended May 28, 2025, virtual meeting to discuss association resolutions to be voted on at annual meeting in July

#### **Human Resources**

- Temporary Unclaimed Property Claims Processor – temporary position needed to help clear claims backlog; filled with May 16, 2025, start date

#### **IT Project Update**

- Today, May 29th, marks the final deployment of our system enhancements with Ernst & Young for this large IT project, enabling Trust Lands customers to submit applications in our customer portal and make payments via credit card or eCheck for the first time in Department history. This milestone represents a significant advancement in our services, providing greater convenience and efficiency for our customers. We will hold the IT project closeout meeting in June with NDIT and vendor.

## DIVISION REPORTS

## SURFACE

SURFACE DIVISION  
ENCUMBRANCES ISSUEDNORTH  
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**Encumbrances issued by the Commissioner: 22 Right of Way Agreements in April generated a total of \$1,066,363 in income for the Trusts**

**This near record setting month for Right of Way income is only second to October of 2014!**



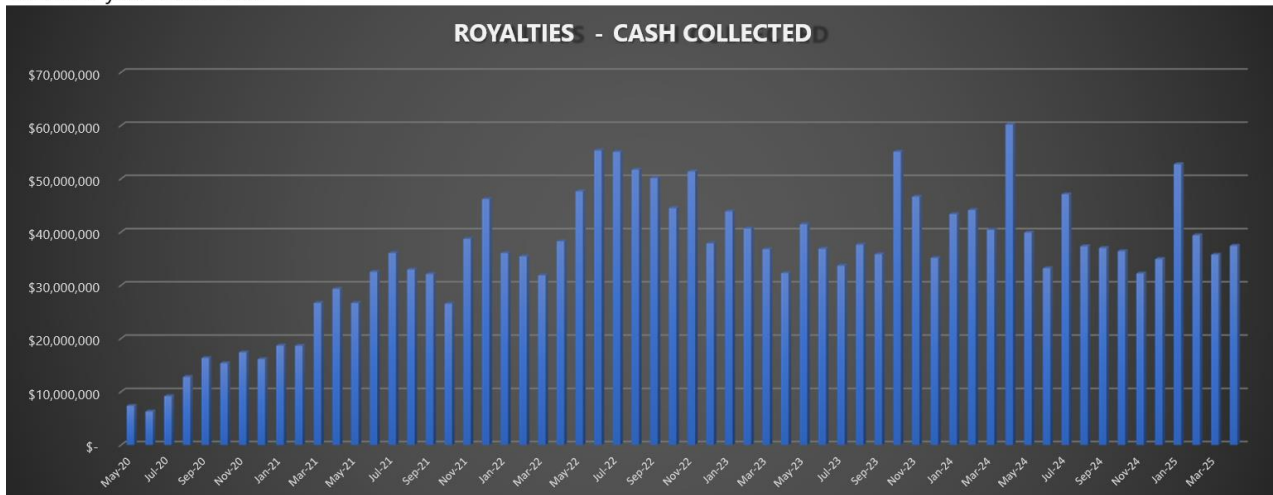
Williams County 154 -95-16 Trust Lands  
Photo Credit: Kayla Spangelo

## MINERALS

## MINERALS DIVISION FISCAL YTD O/G ROYALTIES

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As of April 30, 2025\*, for fiscal year 2024-25 the Department has received **\$390,011,196** in royalties as compared to **\$461,923,677** last fiscal year at this time.

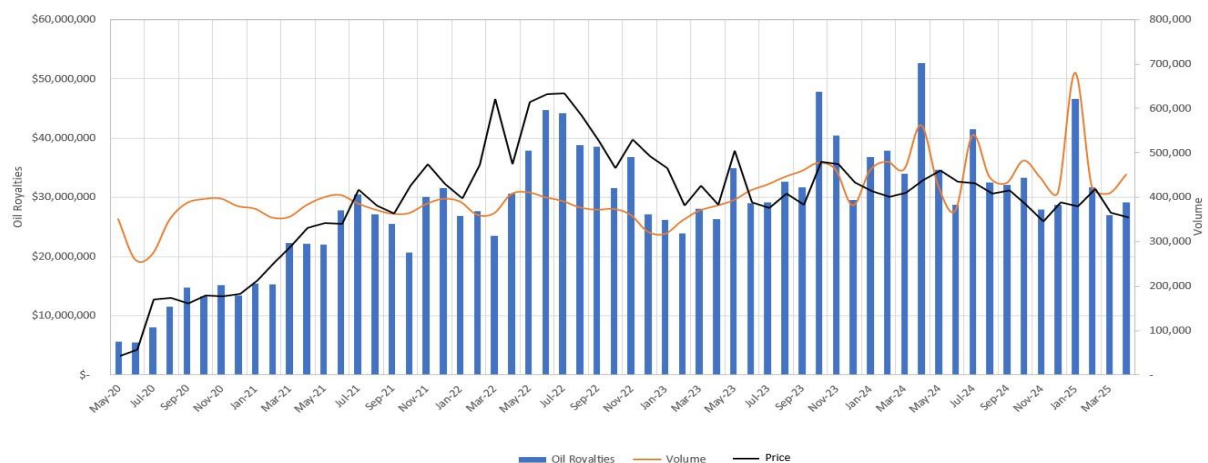


\*April royalty revenue is from February gas production and March oil production.

## 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 459,070 barrels per month over the past twelve months, the price of oil & gas is the main driver of monthly royalty variations.



UNCLAIMED PROPERTY

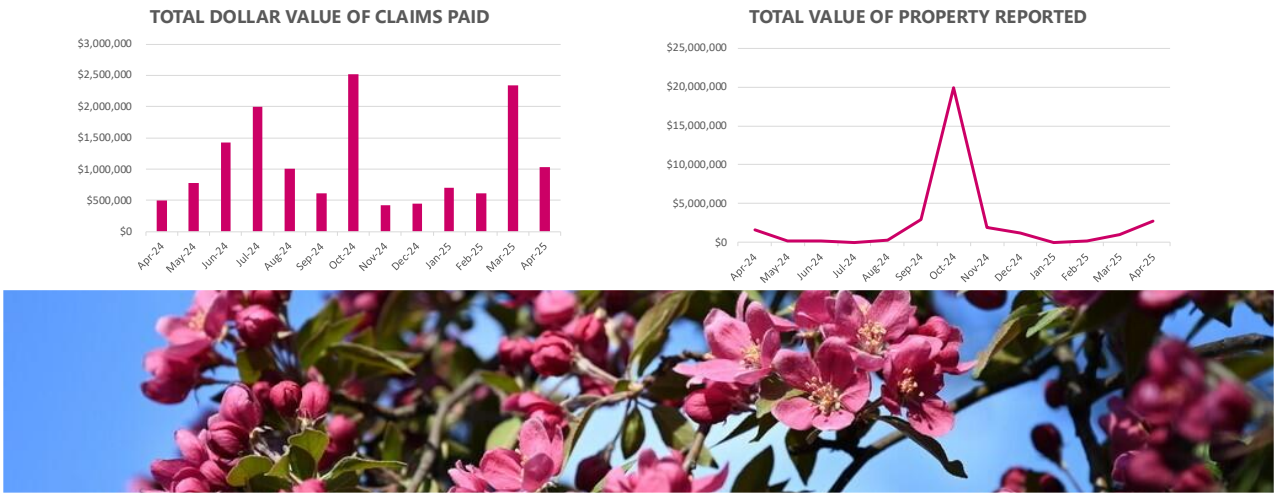
### UNCLAIMED PROPERTY DIVISION

<https://unclaimedproperty.nd.gov>

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For the month of April 2025, the Division paid 595 claims with \$1,032,620 returned to rightful owners. The Division also received 283 holder reports with a dollar value of \$2,724,857.



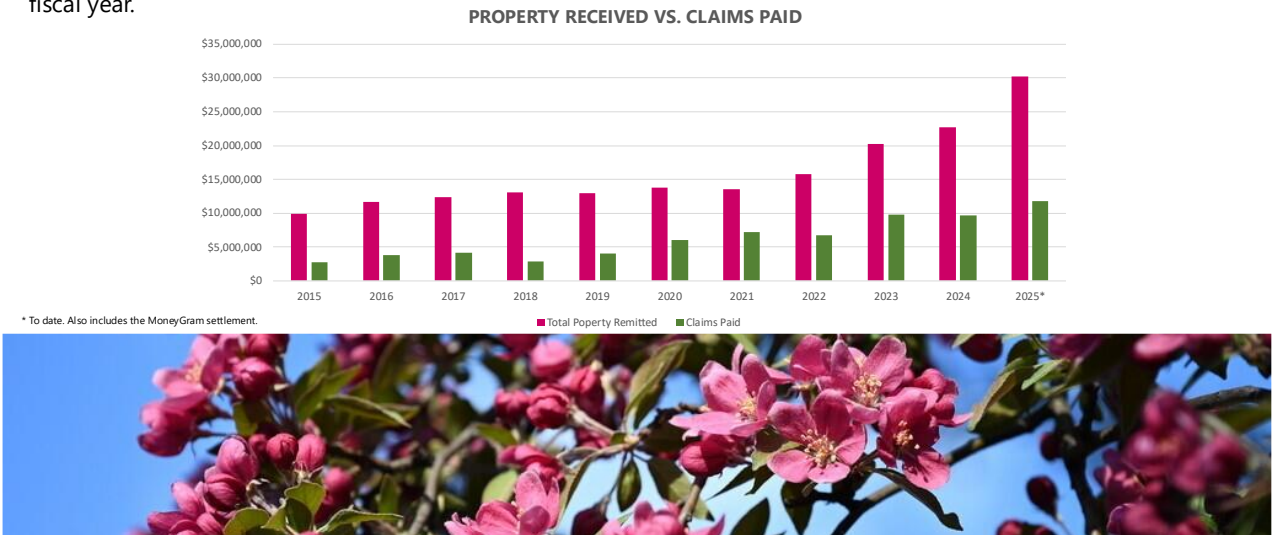
### UNCLAIMED PROPERTY DIVISION

<https://unclaimedproperty.nd.gov>

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The chart below shows a comparison of the total amount of property received to the dollar value of claims paid by fiscal year.



## INVESTMENTS

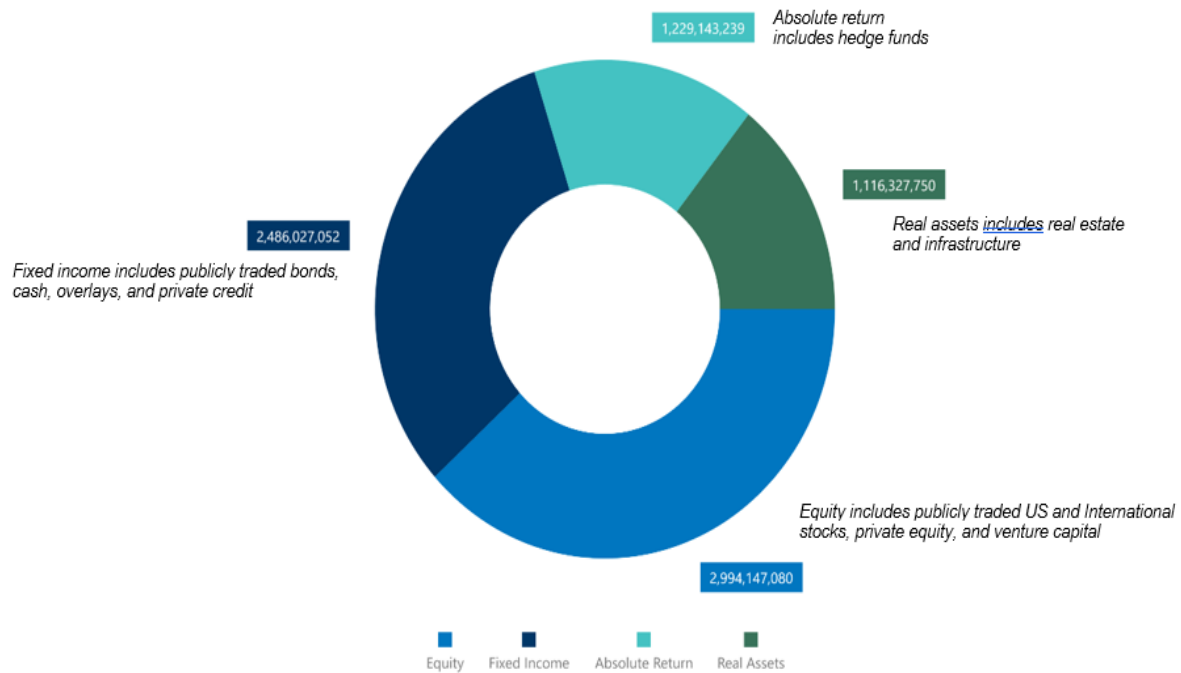
## Investment Update

BOARD OF UNIVERSITY AND SCHOOL LANDS  
MAY 29, 2025

NORTH  
**Dakota** | Trust Lands  
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Report as of 04/30/2025

## Asset Allocation



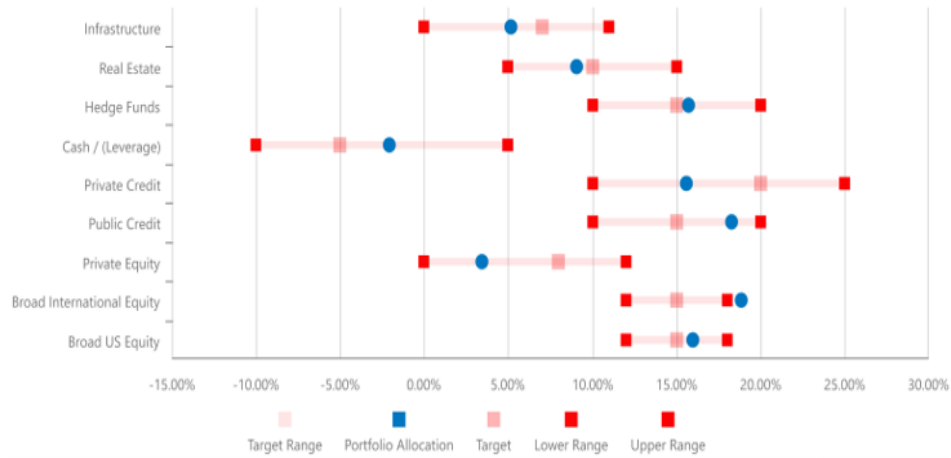
Asset	Total Value	% Of All Value
All	7,825,645,121	100%
Equity	2,994,147,080	38%
Fixed Income	2,486,027,052	32%
Absolute Return	1,229,143,239	16%
Real Assets	1,116,327,750	14%

# BOARD OF UNIVERSITY AND SCHOOL LANDS MAY 29, 2025

NORTH  
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Report as of 04/30/2025

## Actual vs. Target Weight



Asset	Total Value	% Of All Value	Target Weight	Over/Under %	Over/Under \$
<b>All (MTD)</b>	7,825,645,121	100%	100%	0%	--
<b>Equity</b>	2,994,147,080	38.26%	38%	0.26%	20,401,934
Private Equity	269,059,569	3.44%	8%	-4.56%	-356,992,041
Broad International Equity	1,473,020,108	18.82%	15%	3.82%	299,173,339
Broad US Equity	1,252,067,404	16%	15%	1%	78,220,635
<b>Fixed Income</b>	2,486,027,052	31.77%	30%	1.77%	138,333,515
Cash / (Leverage)	-162,649,507	-2.08%	-5%	2.92%	228,632,749
Private Credit	1,219,671,056	15.59%	20%	-4.41%	-345,457,968
Public Credit	1,429,005,502	18.26%	15%	3.26%	255,158,734
<b>Absolute Return</b>	1,229,143,239	15.71%	15%	0.71%	55,296,471
Hedge Funds	1,229,143,239	15.71%	15%	0.71%	55,296,471
<b>Real Assets</b>	1,116,327,750	14.26%	17%	-2.74%	-214,031,920
Infrastructure	406,239,542	5.19%	7%	-1.81%	-141,555,617
Real Estate	710,088,209	9.07%	10%	-0.93%	-72,476,304



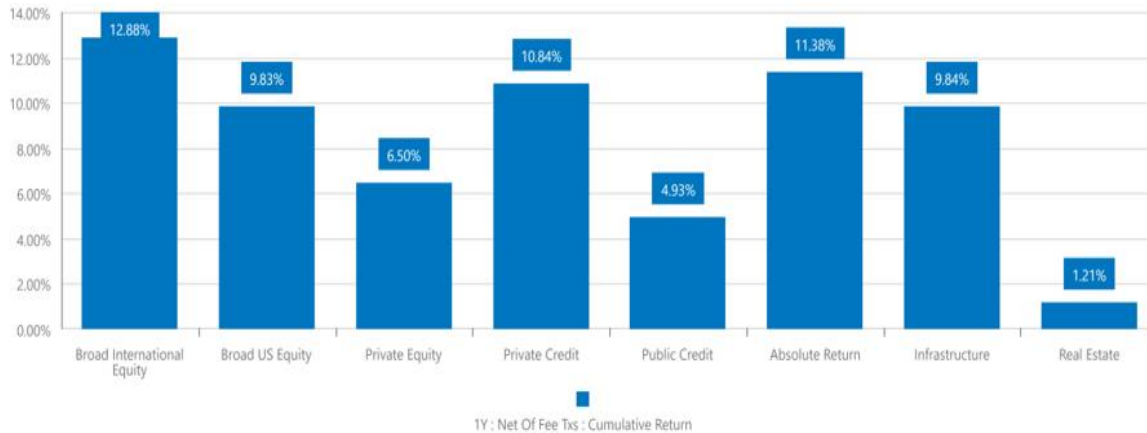
# BOARD OF UNIVERSITY AND SCHOOL LANDS MAY 29, 2025

NORTH  
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Report as of 04/30/2025

## Flash Performance Report

Unaudited preliminary estimates



Asset ↕	MTD	QTD	YTD	FYTD	1Y
	Net of Fees Txs				
	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕
<b>Total Portfolio ▼</b>	0.74%	0.74%	1.99%	6.17%	9.39%
<b>Equity ▼</b>	1.44%	1.44%	1.87%	6.61%	11.67%
Broad International Equity ▶	3.88%	3.88%	10.47%	9.77%	12.88%
Broad US Equity ▶	-0.99%	-0.99%	-6.21%	2.62%	9.83%
Private Equity ▶	0%	0%	-0.04%	4.68%	6.5%
<b>Fixed Income ▼</b>	0.13%	0.13%	2.23%	5.4%	8.08%
Private Credit ▶	0.07%	0.07%	1.41%	7.86%	10.84%
Public Credit ▶	0.2%	0.2%	3.2%	2.59%	4.93%
Absolute Return ▶	0.89%	0.89%	2.59%	9.38%	11.38%
<b>Real Assets ▼</b>	0.01%	0.01%	0.86%	3.41%	4.04%
Infrastructure ▶	0.02%	0.02%	1.64%	6.96%	9.84%
Real Estate ▶	0%	0%	0.42%	1.57%	1.21%

(05/29/25)

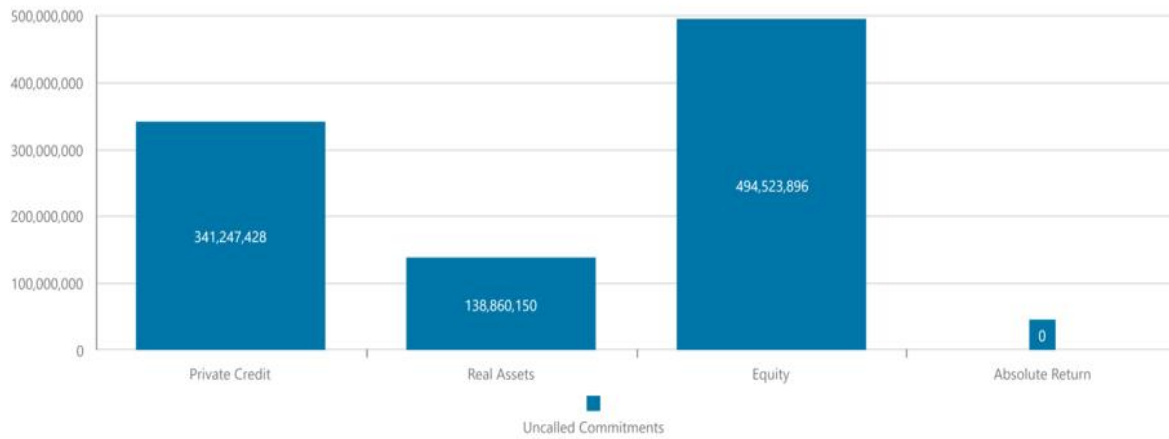


BOARD OF UNIVERSITY AND SCHOOL LANDS  
MAY 29, 2025



Report as of 04/30/2025

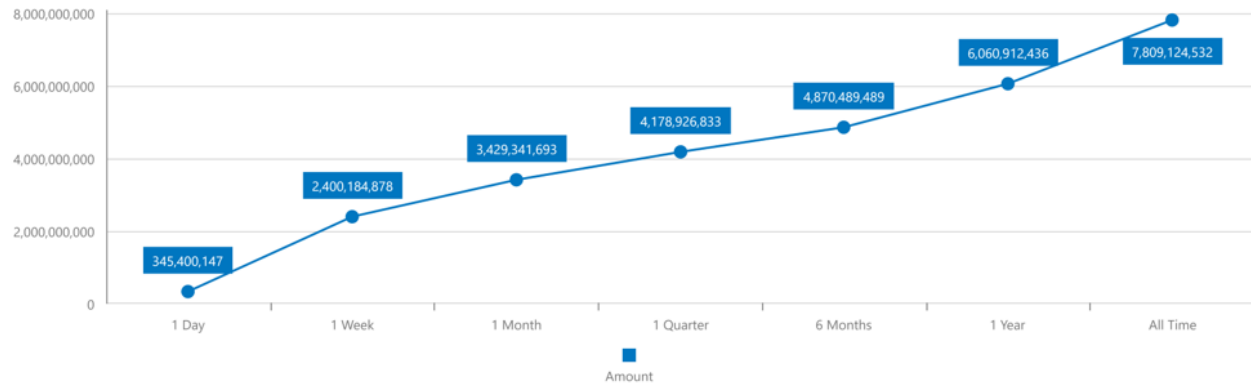
### Uncalled Commitments



Asset	Commitment (\$M)	Funded Commitment (\$M)	Uncalled Commitments (\$M)
<b>All (MTD)</b>	3,991	3,016	975
Ares	300	100	200
GCM Grosvenor	580	188	392
Hamilton Lane	50	31	19
Khosla Ventures	35	19	16
Monarch	120	94	26
Blue Owl	125	92	33
a16z	35	9	26
Industry Ventures	50	4	46
Pantheon	100	4	96
Blackstone	120	--	120

Report as of 04/30/2025

### Liquidity Waterfall



Entity	1 Day (\$M)	1 Week (\$M)	1 Month (\$M)	1 Quarter (\$M)	6 Months (\$M)	1 Year (\$1M)	All Time (\$M)
All	345	2,400	3,429	4,179	4,870	6,061	7,809
Equity	--	1,137	2,166	2,725	2,725	2,725	2,994
Fixed Income	345	1,263	1,263	1,263	1,509	1,649	2,486
Absolute Return	--	--	--	191	504	700	1,220
Real Assets	--	--	--	--	132	986	1,109

*Measures how long it would take to liquidate the entire portfolio*

## First Quarter 2025 Performance Report – RVK

**RVK presented their Quarterly Performance Report, which is available at the Department upon request.**

**SPECIAL PROJECTS****Commissioner Annual Performance Review****MEMORANDUM**

**TO: Board of University and School Lands**

**DATE: May 29, 2025**

**FROM: Commissioner Performance & Compensation Committee**

**RE: Commissioner Annual Performance Review**

The Committee met on May 14, 2025, to review the Commissioner's performance. Materials included key performance indicators, Board and staff surveys, and the Commissioner's written self-assessment. Based on this information and Committee discussion, the consensus was that the overall performance of the Commissioner was strong. He has provided good leadership, effective representation and collaboration on behalf of the Board, and achieved successful results.

Areas for improvement were:

- 1) Increased team communication regarding hybrid and flexible schedules; and
- 2) Ensuring appropriate attention paid to all divisions

**Treasurer Beadle represented the Performance & Compensation Committee and presented the Key Performance Indicators Report; Board and Staff Member Survey Results; and the Commissioner's written self-assessment, all of which are available at the Department upon request.**

**Commissioner Term of Office**

**TO: Board of University and School Lands**

**DATE: May 29, 2025**

**FROM: Commissioner Performance & Compensation Committee**

**RE: Commissioner Term of Office**

North Dakota statute provides that the Commissioner shall serve in four-year terms which cycle with the Governor's terms:

(05/29/25)

**15-02-02. Term of office - Vacancy.** *The term of office of the commissioner is four years beginning July first of the year following the general election of the governor and ending June thirtieth of the fourth calendar year after appointment or until a successor is appointed and qualified. The commissioner may be removed for cause at any time during the commissioner's term of office, by a vote of four or more board members. Upon vacancy by death, resignation, or removal, the board shall appoint a commissioner for the remainder of the four-year term.*

**Comments from the Commissioner:**

*Since being appointed by the Land Board in March 2022 to fulfill the remaining term of the previous Commissioner, I have had the honor of serving North Dakota. My three years in this role have been enjoyable, fulfilling, and yielded meaningful progress. With important goals still to achieve, I am eager to build on our successes and am committed to continuing this work. I respectfully request the Board renew my appointment for the four-year term from July 1, 2025, to June 30, 2029, to further serve the people of North Dakota.*

**Comments from Board Performance and Compensation Committee:**

*The Committee believes the Commissioner's performance warrants reappointment and recommends that the Board approve the motion below.*

**Motion: Appoint Commissioner Heringer, under N.D.C.C. § 15-02-02, to a second term effective July 1, 2025.**

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

**Commissioner Compensation Recommendation**

**MEMORANDUM**

**TO:** Board of University and School Lands

**DATE:** May 29, 2025

**FROM:** Commissioner Performance & Compensation Committee

**RE:** Commissioner Compensation Recommendation

(05/29/25)

The Committee met on May 20, 2025, to review the Commissioner's compensation. Materials included the Committee's performance review, the CBIZ 2025 Compensation Study, and salary history. The Commissioner's current salary is \$200,000 and the Committee discussed a long-term goal of achieving the CBIZ recommended salary midpoint which is currently \$232,835. However, with the CBIZ recommended compression factor, and accounting for the substantial increase made last year, a 3% increase will put the Commissioner's salary within the appropriate range.

**Motion: Approve an increase in the Commissioner's salary to \$206,000 beginning July 1, 2025.**

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Howe			X		
Superintendent Baesler			X		
Treasurer Beadle	X		X		
Attorney General Wrigley		X	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 completed; the U.S. and MHA filed separate summary judgment motions; our opposition brief was filed by the March 18, 2025 deadline; the U.S. filed its reply brief on April 18<sup>th</sup>; we now await the Court to either schedule a hearing on the motion or decide on the briefs; additionally, on February 28, 2025, the Department of Interior Acting Solicitor suspended the Biden administration's M-Opinion that was contrary to the state's position.

Commencement: July 2020

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

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  
Department of Interior: Reuben S. Schiffman (Washington, D.C.)

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, ex. rel. v Virginia Leland, et.al.**

**Case Summary:** OHWM river island ownership; trial was held September 12-16, 2022; Judge Schmidt issued a Phase I Memorandum Decision on April 30, 2024, finding 1) the at issue Yellowstone River segment was navigable at statehood; 2) the at issue west bank of the river is owned by the state; 3) the at issue north island is not owned by the state; 4) the at issue south island is owned by the state; and 5) the state's claim is not barred by laches. The remaining issues of conveyances, mineral acreage calculations, etc. are now being determined in Phase II proceedings. On December 19, 2024, the Court granted opposing parties' summary judgment motion on certain issues. A trial to determine the remaining issues was held January 29, 2025, in Watford City. On May 8, 2025, the Court issued its trial decision ruling that: 1) the State does not own the North Island; 2) the 1950 deed from the State conveyed the at issue lots to the Montana state line; and 3) the State only reserved a 5% mineral interest in the 1950 deed. Whiting will now calculate each owner's fractional interest and net acreage in the at issue parcels, after which a final judgment will be entered. Parties will then have 60 days to appeal to the ND Supreme Court.

Commencement: January 2016

ND Assigned Attorneys: Zachary Pelham (Pearce Durick, Bismarck)

Matthew Sagsveen, AG Dir. of Natural Resources and Native American Affairs  
James Wald, DTL General Counsel

Counsel for Whiting Oil  
and Gas Corp: Paul Forster (Crowley Fleck, PLLP, Bismarck, ND)  
Shane Hanson (Crowley Fleck, PLLP, Bismarck, ND)

Counsel for Defendant(s): Kevin Chapman (Chapman Law Firm, P.C., Williston, ND)  
Ariston Johnson (Johnson & Sundeen, Watford City, ND)  
and Others

Court: State District Court, McKenzie County

Judge: Honorable Robin Schmidt

Win = State owns at issue Yellowstone River islands and related mineral interests

Lose = Plaintiffs owns at issue Yellowstone River islands and related mineral interests

- **Continental Resources, Inc., v. North Dakota Board of University and School Lands and the United States of America (Interpleader)**

**Case Summary:** OHWM fed/state dispute – ND Federal District Court issued opinion March 21, 2023, granting Board’s motion for partial summary judgment on “Acquired Federal Lands” issue; this means the Wenck survey controls for establishing the historical ordinary high-water mark of the Missouri River in areas where the uplands were acquired by the federal government, and not original “public domain lands”; the federal government appealed; 8<sup>th</sup> Circuit oral argument was held October 22, 2024; the 8<sup>th</sup> Circuit issued its decision on May 2, 2025, affirming the District Court’s ruling; the federal government has 45 days to request an en banc rehearing, or 60 days to appeal to the U.S. Supreme Court

Commencement: December 2016

ND Assigned Attorneys: Philip Axt, ND Solicitor General

Counsel for Continental: Lawrence Bender (Fredrikson & Byron P.A., Bismarck, ND)  
Spencer Ptacek (Fredrikson & Byron P.A., Bismarck, ND)

Counsel for USA: Shaun Pettigrew (Environment and Natural Resources Division (ENRD)) of the U.S. Department of Justice

Court: United States District Court, District of North Dakota

Judge: U.S. District Judge Daniel L. Hovland

#### EXECUTIVE SESSION

**Under the authority of North Dakota Century Code Sections 44-04-19.1 and 44-04-19.2, the Board close the meeting to the public and go into executive session for purposes of attorney consultation regarding:**

- **Royalty Settlements**

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

**The Board entered into executive session at 10:09 AM.**



**EXECUTIVE SESSION****Members Present:**

Kelly Armstrong	Governor
Kirsten Baelser	Superintendent of Public Instruction
Thomas Beadle	Treasurer
Michael Howe	Secretary of State
Drew Wrigley	Attorney General

**Department of Trust Lands Personnel present:**

Joseph Heringer	Commissioner
Catelin Newell	Administrative Staff Officer
Kate Schirado	Executive Assistant
Adam Otteson	Revenue Compliance Division Director
James Wald	Legal Council
Elvedina Papalichev	Paralegal
Chris Suelzle	Minerals Division Director
Kristie McCusker	Minerals Management Officer

**Guests in Attendance:**

Jacy Schafer	Office of the Governor
Reed Johnson	Office of the Governor
Matt Sagsveen	Office of the Attorney General

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The executive session adjourned at 11:03 AM and the Board returned to the open session meeting to rejoin the public. During executive session the Board discussed Royalty Deduction Settlements with its attorneys. No formal action was taken when the open meeting reconvened.

**A D J O U R N**

There being no further business, the meeting was adjourned at 11:03 AM.

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Governor Armstrong, Chairman  
Board of University and School Lands

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Joseph Heringer, Secretary  
Board of University and School Lands