

Governor's Conference Room and Via Microsoft Teams
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Phone Conference ID: 221 415 937#

Catelin Newell, Director of Admin Services & IT and Kate Schirado, Admin Assistant

➤ = **Board Action Requested**

1. **Approval of Meeting Minutes – Joseph Heringer, Commissioner**
Consideration of Approval of Land Board Meeting Minutes by voice vote.
 - A. [April 27, 2023](#) – minutes available via link
2. **Operations – Joseph Heringer, Commissioner**
 - A. Commissioner's Report – pg. 2
3. **Division Reports – Joseph Heringer, Commissioner**
 - A. Surface – pg. 3 - **Joseph Stegmiller, Surface Director**
 - B. Minerals – pg. 4 – **Chris Suelzle, Minerals Director**
 - C. Unclaimed Property – pg. 5 - **Susan Dollinger, Unclaimed Property Director**
 - D. Financials – pg. 7 - **Peggy Gudvangen, Finance Director**
 - E. Executive Summary of Assets – pg. 19 - **Frank Mihail, CIO**
4. **Investments – Frank Mihail, CIO & Josh Kevan, RVK**
 - A. Investment Update – pg. 21
 - B. International Exposure Recommendation – pg. 24
 - C. Investment Education – pg. 36
5. **Special Projects – Joseph Heringer, Commissioner & Joseph Stegmiller, Surface Director**
 - No Net Loss Land Sale Application – pg. 57
6. **Litigation – Joseph Heringer, Commissioner – pg. 65**
 - **Executive session under the authority of NDCC §§ 44-04-19.1 and 44-04-19.2 for attorney consultation with the Board's attorneys to discuss: - pg. 66**
 - Royalty Settlement Offers

Next Meeting Date – June 29, 2023

RE: Commissioner's Report
(No Action Requested)

- One more gas royalties settlement achieved; now all complete pending the Newfield case!
- Appointed to Lignite Research Council by Governor Burgum; attended Council's April 11th meeting where grants for seven projects were approved totaling approximal \$7 million
- Attended May 12th State Investment Board Investment Committee meeting as voting member
- Attended May 18th full State Investment Board meeting as voting member
- May 21-23 - Traveled to RVK headquarters in Portland, Oregon with CIO, Frank Mihail, and Investment Officer, Teresa Hettinger, for strategic planning and asset allocation meetings

HR Update

- All positions filled and preparing to post for 3 new FTE's approved by Legislature

SURFACE DIVISION

Encumbrances issued by Commissioner during April 2023: 9 Right of Way Agreements generating \$24,338 in income for the Trusts.

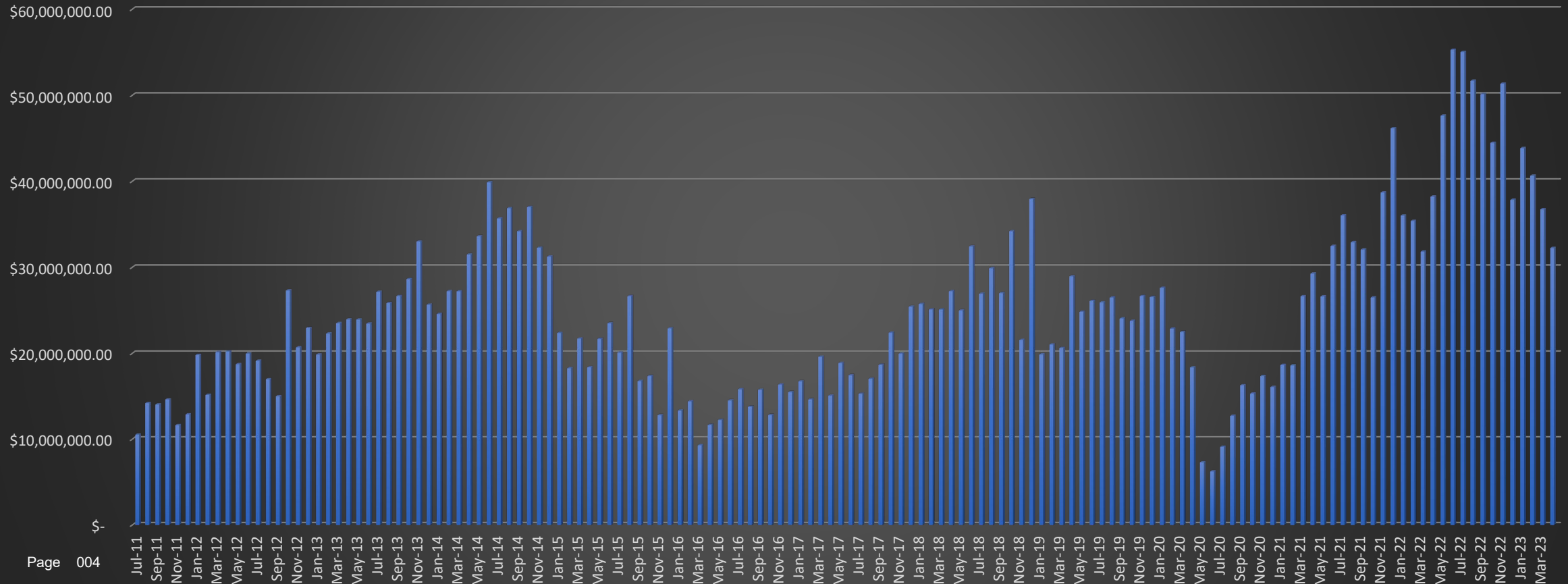


Photo Credit: Garret Hecker
Divide County 161-101-16

RECORD FISCAL YTD O/G ROYALTIES

As of April 2023, for fiscal year 2022-23 the Department has received **\$444,140,970** in royalties as compared to **\$353,976,572** last fiscal year at this time. That is an all time record and **25%** year-over-year increase!

ROYALTIES - CASH COLLECTED

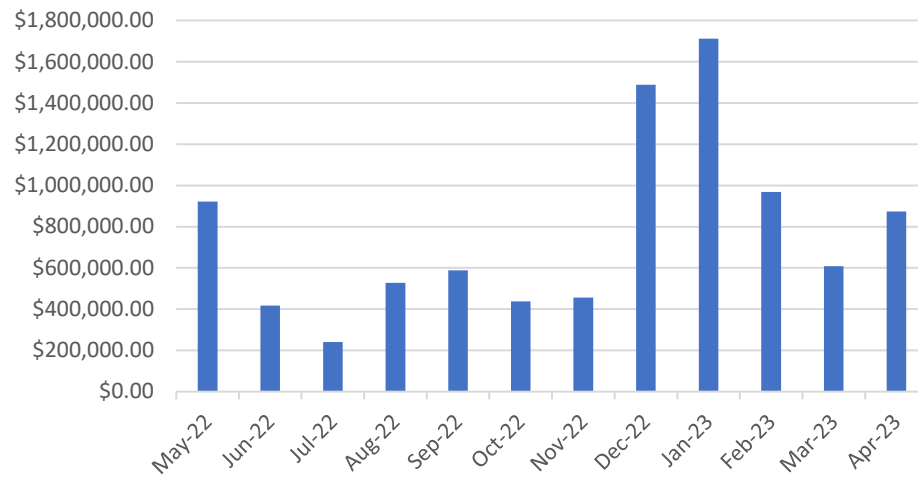


UNCLAIMED PROPERTY DIVISION

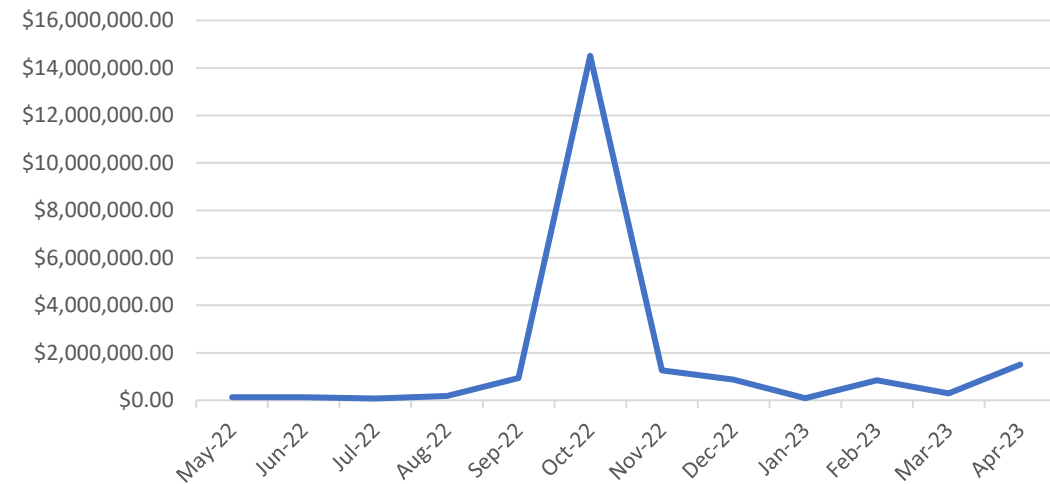
For the month of April 2023, the Division paid 767 claims with \$874,258.13 returned to rightful owners/heirs. It received 271 holder reports with a dollar value of \$1,506,818.42.

The increase in the number and value of holder reports is due to the Life Insurance deadline of April 31.

Total dollar value of claims paid

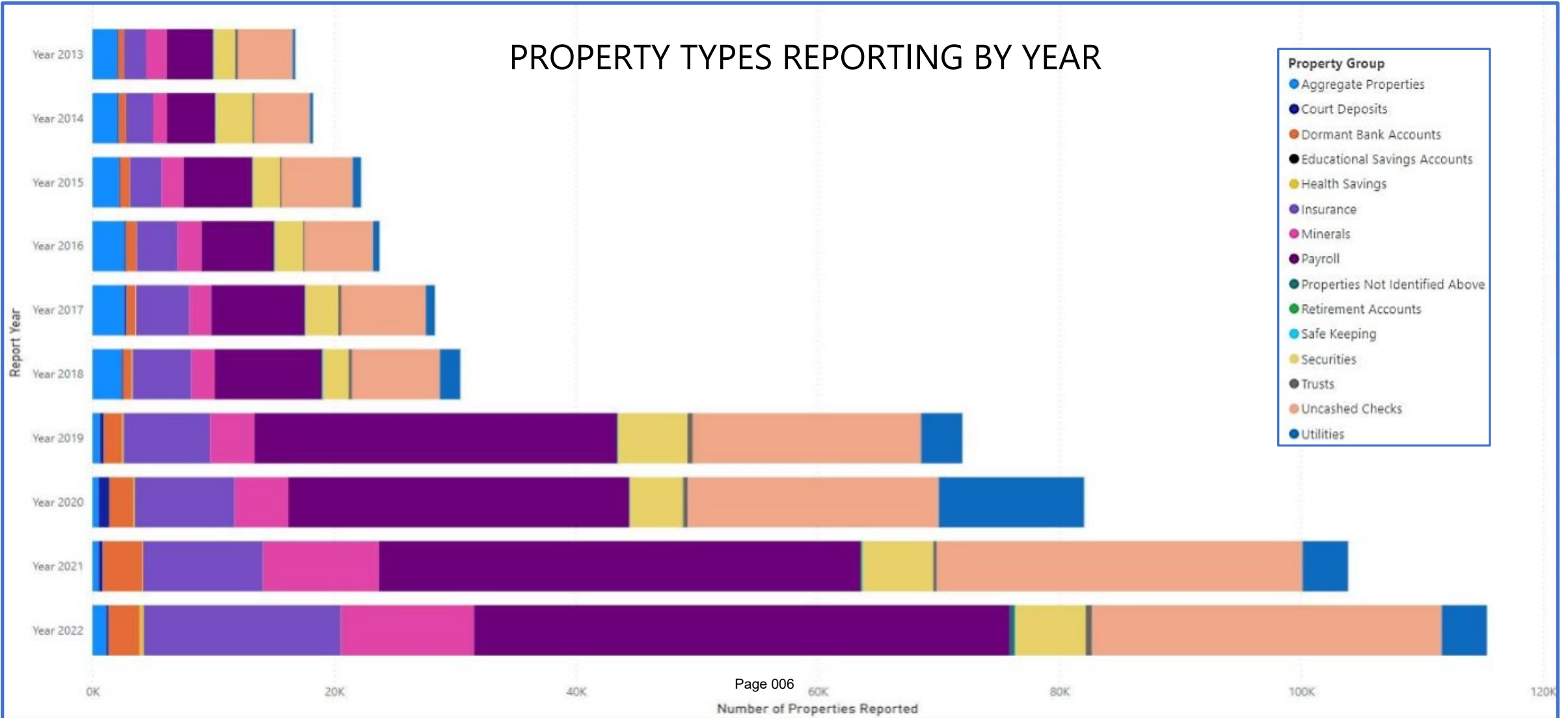


Total Value of Property Reported



UNCLAIMED PROPERTY DIVISION

PROPERTY TYPES REPORTING BY YEAR



**RE: Financial Statements Position Report (Unaudited) for period ended February 28, 2023
(No Action Requested)**

The following statements represent the unaudited financial position for the various trusts and funds managed by the Department of Trust Lands. The unaudited financial positions are two months delayed as a significant portion of the revenue for Commons Schools Trust, Strategic Investment and Improvements Fund, and Coal Development Trust includes gross production tax, oil extraction tax and coal severance tax distributions which are received two months after production date.

NORTH DAKOTA
BOARD OF UNIVERSITY AND SCHOOL LANDS

Financial Position Report
(Unaudited)

For period ended February 28, 2023



Board of University and School Lands		
Comparative Financial Position (Unaudited)		
Schedule of Net Assets		
Assets by Trust:	February 28, 2023	February 28, 2022
Common Schools	5,965,573,821.47	5,851,889,091
North Dakota State University	89,174,818	86,907,186
School for the Blind	15,340,526	15,320,653
School for the Deaf	23,311,495	23,980,228
State Hospital	15,259,902	15,996,733
Ellendale *	28,636,618	27,981,376
Valley City State University	15,602,554	15,190,043
Mayville State University	11,596,222	10,684,088
Youth Correctional Center	31,465,798	30,848,000
State College of Science	21,505,904	21,884,773
School of Mines **	27,127,845	26,708,414
Veterans Home	5,659,027	5,913,859
University of North Dakota	43,578,968	41,452,685
Capitol Building	7,240,789	5,583,110
Strategic Investment and Improvements	1,360,046,330	666,745,960
Coal Development	71,618,364	71,471,478
Indian Cultural Education Trust	1,330,742	1,408,257
Theodore Roosevelt Presidential Library	52,376,431	55,408,868
Total	\$7,786,446,154	\$6,975,374,802
Assets by Type:		
Cash	\$353,051,799	\$382,468,157
Receivables	9,093,864	5,027,099
Investments ***	7,221,284,383	6,523,822,743
Office Building (Net of Depreciation)	221,501	278,609
Farm Loans	3,898,601	4,837,627
Energy Development Impact Loans	8,462,172	9,262,357
School Construction Loans (Coal)	27,167,754	29,495,505
Due From Other Trusts and Agencies	163,266,080	20,182,705
Total	\$7,786,446,154	\$6,975,374,802

*** Ellendale Trust**

The following entities are equal beneficiaries of the Ellendale Trust:

Dickinson State University	School for the Blind
Minot State University	Veterans Home
Dakota College at Bottineau	State Hospital
State College of Science - Wahpeton	

**** School of Mines**

Benefits of the original grant to the School of Mines are distributed to the University of North Dakota.

***** Investments**

Includes cash available for loans, investments, abandoned stock and claimant liability.

Board of University and School Lands

Comparative Financial Position (Unaudited)

Common School Trust Fund

	February 28, 2023	February 28, 2022
Balance Sheet		
Assets:		
Cash	\$32,702,854	\$79,039,642
Interest Receivable	5,982,634	3,756,321
Investments	5,905,180,356	5,744,434,340
Farm Loans	3,590,795	4,455,832
Accounts Receivable	10,168	-
Due from Other Agencies	17,885,513	19,924,347
Office Building (Net of Depreciation)	221,501	278,609
Total Assets	\$5,965,573,821	\$5,851,889,091
Liabilities:		
Unclaimed Property Claimant Liability	\$22,357,233	\$16,461,434
Due to Other Funds	2,973	3,683
Accounts Payable	-	-
Total Liabilities	22,360,206	16,465,117
Equity:		
Fund Balance	5,655,342,237	5,736,576,918
Net Income/(Loss)	287,871,378	98,847,056
Total Liabilities and Equity	\$5,965,573,821	\$5,851,889,091
Income Statement		
Income:		
Investment Income	\$88,895,960	\$107,572,612
Realized Gain/(Loss)	(65,310,270)	132,879,427
Unrealized Gain/(Loss)	164,791,520	(195,048,794)
Royalties - Oil and Gas	153,091,271	128,763,495
Royalties - Coal	269,347	204,715
Royalties - Aggregate	323,136	122,601
Bonuses - Oil and Gas	1,185,849	1,302,993
Bonuses - Coal	-	-
Rents - Surface	11,269,566	12,211,038
Rents - Mineral	193,839	66,308
Rents - Coal	47,578	44,257
Rents - Office Building	-	71,982
Encumbrances - Surface	295,619	61,970
Sale of Capital Asset	-	644
Miscellaneous Income	50	9,700
Oil Extraction Tax Income	89,285,509	69,333,665
Unclaimed Property Income	14,777,260	11,612,169
Total Income	459,116,234	269,208,782
Expenses and Transfers:		
Investment Expense	4,426,667	3,790,047
In-Lieu and 5% County Payments	-	-
Administrative Expense	3,034,253	2,783,986
Operating Expense - Building	53,936	57,693
Transfers to Beneficiaries	163,730,000	163,730,000
Total Expense and Transfers	171,244,856	170,361,726
Net Income/(Loss)	\$287,871,378	\$98,847,056

COMMON SCHOOL TRUST FUND**Monthly Income and Expenses****Unaudited Supplemental Information**

	December 2022	January 2023	February 2023
<u>Income</u>			
Investment Income	30,214,181	12,957,163	3,183,208
Net increase(decrease) in fair value of investments	(108,507,074)	190,496,474	(80,894,453)
Loan Income - Farm Loan Pool	25,403	24,945	22,632
Bonus	-	-	-
Royalty	19,989,109	24,918,599	21,616,870
Rent	4,057,710	2,517,676	255,552
Miscellaneous	160	-	-
Tax Income - Oil Extraction	8,067,468	9,050,252	8,835,261
Capital Asset - Sale	-	-	-
Unclaimed Property Holder Receipts	719,756	415,120	360,204
	<u>(45,433,287)</u>	<u>240,380,229</u>	<u>(46,620,726)</u>
<u>Expenses</u>			
Investment Expense	837,803	637,872	207,195
Salaries and Operating	584,195	435,856	423,442
Transfer to State Tuition Fund	23,390,000	23,390,000	23,390,000
In Lieu Property Tax & County Payments	-	-	-
Unclaimed Property Paid Claims	1,409,701	1,158,346	1,381,737
	<u>26,221,699</u>	<u>25,622,073</u>	<u>25,402,374</u>
ENDING NET ASSETS (year to date)	<u>\$5,822,838,765</u>	<u>\$6,037,596,921</u>	<u>\$5,965,573,821</u>

Board of University and School Lands

Comparative Financial Position (Unaudited)

Combined - Other Permanent Trusts

	February 28, 2023	February 28, 2022
Balance Sheet		
Assets:		
Cash	\$13,109,152	\$9,236,868
Interest Receivable	446,181	316,853
Investments	314,396,509	312,932,523
Farm Loans	307,806	381,795
Accounts Receivable	29	-
Total Assets	\$328,259,677	\$322,868,039
Liabilities:		
Due to Other Funds	255	315
Accounts Payable	-	-
Total Liabilities	255	315
Equity:		
Fund Balance	316,615,628	320,987,436
Net Income/(Loss)	11,643,794	1,880,288
Total Liabilities and Equity	\$328,259,677	\$322,868,039
Income Statement		
Income:		
Investment Income	\$5,163,592	\$5,942,705
Realized Gain/(Loss)	(3,854,989)	7,388,140
Unrealized Gain/(Loss)	9,146,950	(10,747,043)
Royalties - Oil and Gas	12,672,915	10,453,046
Royalties - Coal	9,303	12,638
Royalties - Aggregate	-	5,000
Bonuses - Oil and Gas	75,450	402,153
Bonuses - Coal	8,010	-
Rents - Surface	1,128,344	1,111,781
Rents - Mineral	11,517	3,761
Rents - Coal	801	400
Encumbrances - Surface	-	-
Sale of Capital Asset	-	-
Miscellaneous Income	-	4,950
Total Income	24,361,893	14,577,531
Expenses and Transfers:		
Investment Expense	240,802	207,599
In-Lieu and 5% County Payments	-	-
Administrative Expense	224,797	237,144
Transfers to Beneficiaries	12,252,500	12,252,500
Total Expense and Transfers	12,718,099	12,697,243
Net Income/(Loss)	\$11,643,794	\$1,880,288

Board of University and School Lands

Comparative Financial Position (Unaudited)

Coal Development Trust

	February 28, 2023	February 28, 2022
Balance Sheet		
Assets:		
Cash	\$1,023,430	\$16,288
Interest Receivable	289,267	352,473
Investments	34,405,123	32,086,497
Coal Impact Loans	8,462,172	9,262,357
School Construction Loans	27,167,754	29,495,505
Due from other Trusts and Agencies	270,618	258,358
Total Assets	<u>\$71,618,364</u>	<u>\$71,471,478</u>
Liabilities:		
Due to Other Trusts and Agencies	\$189,432	\$180,850
Equity:		
Fund Balance	70,463,180	71,117,671
Net Income	965,752	172,957
Total Liabilities and Equity	<u>\$71,618,364</u>	<u>\$71,471,478</u>
Income Statement		
Income:		
Investment Income	\$324,063	\$219,758
Interest on School Construction Loans	190,638	\$337,595
Realized Gain/(Loss)	131,231	35,452
Unrealized Gain/(Loss)	181,724	(\$606,836)
Coal Severance Tax Income	309,948	\$307,299
Total Income	<u>1,137,604</u>	<u>293,268</u>
Expenses and Transfers:		
Investment	4,828	10,405
Administrative	-	2,392
Transfers to General Fund	167,024	107,514
Total Expense and Transfers	<u>171,852</u>	<u>120,311</u>
Net Income/(Loss)	<u>\$965,752</u>	<u>\$172,957</u>

Board of University and School Lands

Comparative Financial Position (Unaudited)

Capitol Building Trust

	February 28, 2023	February 28, 2022
Balance Sheet		
Assets:		
Cash	\$2,412,692	\$1,838,021
Interest Receivable	36,047	19,020
Investments	4,792,050	3,726,069
Accounts Receivable	-	-
Total Assets	\$7,240,789	\$5,583,110
Liabilities:		
Due to Other Trusts and Agencies	\$0	\$0
Accounts Payable	-	-
Total Liabilities	\$0	\$0
Equity:		
Fund Balance	6,772,499	3,462,488
Net Income	468,290	2,120,622
Total Liabilities and Equity	\$7,240,789	\$5,583,110
Income Statement		
Income:		
Investment Income	\$91,543	\$21,728
Realized Gain(Loss)	39,119	3,422
Unrealized Gain/(Loss)	44,705	(58,920)
Royalties - Oil and Gas	1,648,823	1,989,441
Bonuses - Oil and Gas	11,080	-
Bonus - Coal	-	-
Rents - Surface	161,362	171,032
Rents - Mineral	1,202	802
Encumbrances - Surface	5,349	18,385
Royalties - Aggregate	-	-
Total Income	2,003,183	2,145,890
Expenses and Transfers:		
Investment Expense	939	(3,119)
In-Lieu and 5% County Payments	-	-
Administrative Expense	33,954	28,387
Transfers to Facility Management	1,500,000	-
Transfers to Legislative Council	-	-
Transfer to Supreme Court	-	-
Total Expense and Transfers	1,534,893	25,268
Net Income/(Loss)	\$468,290	\$2,120,622

Board of University and School Lands

Comparative Financial Position (Unaudited)

Strategic Investment and Improvements Fund

	February 28, 2023	February 28, 2022
Balance Sheet		
Assets:		
Cash	\$303,788,677	\$292,316,148
Accounts Receivable	19,852	-
Interest Receivable	2,378,298	666,283
Investments	908,749,554	373,763,528
Due from other Trusts or Agencies	145,109,949	-
Total Assets	<u>\$1,360,046,330</u>	<u>\$666,745,958</u>
Liabilities:		
Accounts Payable	\$0	\$0
Equity:		
Fund Balance	1,045,209,177	860,465,447
Net Income	314,837,153	(193,719,489)
Total Liabilities and Equity	<u>\$1,360,046,330</u>	<u>\$666,745,958</u>
Income Statement		
Income:		
Investment Income	\$5,217,619	\$2,365,973
Realized Gain/(Loss)	1,735,108	382,574
Unrealized Gain/(Loss)	3,696,182	(6,538,827)
Interest on Fuel Prod Facility	94,045	67,917
Interest - Miscellaneous	3,436,253	124,964
Interest and Penalty	535,729	913,521
Royalties - Oil and Gas	134,552,507	94,946,394
Bonuses - Oil and Gas	184,478	(13,153,410)
Royalties - Coal	58,439	115,950
Rents - Mineral	127,352	16,843
Tax Income - Oil Extraction & Production Distribution	388,019,269	-
Total Income	<u>537,656,981</u>	<u>79,241,899</u>
Expenses and Transfers:		
Administrative	1,426,541	1,135,038
Investment Expense	118,925	67,813
Transfer to Agriculture Department (HB 1009)	-	5,000,000
Transfer to ND Insurance Commissioner (SB 2287)	-	200,000
Transfer to Office of Management & Budget (HB 1015)	205,000,000	205,000,000
Transfer to Council on the Arts (HB 1015)	1,000,000	-
Transfer to Office of Management & Budget (HB 1015)	71,055	-
Transfer to North Dakota State University	225,000	-
Transfer to Office of the Adjutant General (HB 1016)	-	1,000,000
Transfer to Innovation Loan Fund (HB 1141)	-	15,000,000
Transfer to ND University System (SB 2003)	-	19,000,000
Transfer to Office of Management & Budget (SB 2014)	-	9,500,000
Transfer to Department of Commerce (SB 2018)	14,000,000	15,000,000
Transfer From Department of Commerce - Return	(2,632)	-
Transfer to Upper Great Plains Transportation (SB 2020)	-	2,073,000
Transfer from General Fund	-	(14,463)
Transfer to Dept of Human Services	980,939	-
Total Expense and Transfers	<u>222,819,828</u>	<u>272,961,388</u>
Net Income/(Loss)	<u>\$314,837,153</u>	<u>(\$193,719,489)</u>

As of February 28, 2023 the SIIF had a fund balance of \$1,360,046,330. The fund balance is made up of two parts. The committed fund balance is that portion of the fund that has either been set aside until potential title disputes related to certain riverbed leases have been resolved or appropriated by the legislature. The uncommitted fund balance is the portion of the fund that is unencumbered, and is thus available to be spent or dedicate to other programs as the legislature deems appropriate. The uncommitted fund balance was \$1,245,698,851 as of February 28, 2023.

Board of University and School Lands

Comparative Fiduciary Statements (Unaudited)

Indian Cultural Trust

	February 28, 2023	February 28, 2022
<u>Fiduciary Net Position</u>		
Assets:		
Cash	\$3,858	\$1,010
Interest receivable	984	364
Investments	1,325,900	1,406,883
Total Assets	\$1,330,742	\$1,408,257
Liabilities:		
Accounts payable	-	-
Total Liabilities	-	-
Net Position:		
Net position restricted	1,330,742	1,408,257
Total Net Position	\$1,330,742	\$1,408,257
<u>Changes in Fiduciary Net Position</u>		
Additions:		
Contributions:		
Donations	\$0	\$0
Total Contributions	-	-
Investment Income:		
Net change in fair value of investments	23,531	(14,964)
Interest	22,103	27,206
Less investment expense	1,096	950
Net Investment Income	44,538	11,292
Miscellaneous Income	2,458	2,458
Total Additions	46,996	13,750
Deductions:		
Payments in accordance with Trust agreement	46,052	46,052
Administrative expenses	-	500
Total Deductions	46,052	46,552
Change in net position held in Trust for:		
Private-Purpose	944	(32,802)
Total Change in Net Position	944	(32,802)
Net Position - Beginning of Fiscal Year	1,329,798	1,441,059
Net Position - End of Month	\$1,330,742	\$1,408,257
Net Position - End of Fiscal Year		\$1,329,798

Board of University and School Lands

Comparative Fiduciary Statements (Unaudited)

Theodore Roosevelt Presidential Library

	February 28, 2023	February 28, 2022
Fiduciary Net Position		
Assets:		
Cash	\$11,136	\$20,181
Interest receivable	(69,595)	(84,215)
Investments	52,434,890	55,472,902
Total Assets	\$52,376,431	\$55,408,868
Liabilities:		
Accounts payable	-	-
Total Liabilities	-	-
Net Position:		
Net position restricted	52,376,431	55,408,868
Total Net Position	\$52,376,431	\$55,408,868
Changes in Fiduciary Net Position		
Additions:		
Contributions:		
Donations	\$0	\$17,500,000
Total Contributions	-	17,500,000
Investment Income:		
Net change in fair value of investments	916,273	(581,649)
Interest	556,917	1,056,240
Less investment expense	31,634	36,828
Net Investment Income	1,441,556	437,763
Miscellaneous Income	387	53
Total Additions	1,441,943	17,937,816
Deductions:		
Payments in accordance with Trust agreement	1,409,458	912,215
Administrative expenses	-	63,428
Total Deductions	1,409,458	975,643
Change in net position held in Trust for:		
Private-Purpose	32,485	16,962,173
Total Change in Net Position	32,485	16,962,173
Net Position - Beginning of Fiscal Year	52,343,946	38,446,695
Net Position - End of Month	\$52,376,431	\$55,408,868
Net Position - End of Fiscal Year		\$52,343,946

**RE: Executive Estimate of Board Assets
(No Action Requested)**

EXECUTIVE ESTIMATE OF ASSETS
NORTH DAKOTA DEPARTMENT OF TRUST LANDS
As of April 30, 2023

	4/30/2023 Value	MOM\$ 3/31/2023 Value	MOM% Change	YOY\$ 4/30/2022 Value	YOY% Change
Cash	545,653,407	452,470,509		421,851,163	
Investments ^[1]	7,286,203,524	7,270,429,898		6,359,390,287	
Tax Receivables ^[2]	-	-		123,774,109	
Loans ^[3]	38,175,596	39,657,643		43,265,365	
Receivables ^[4]	8,508,502	8,108,229		5,066,584	
Sub-Total Net Assets	\$7,878,541,028	7,770,666,278	1.39%	\$6,953,347,508	13.31%
Mineral Rights ^[5]	2,813,480,347	2,813,480,347		2,813,480,347	
Surface Rights ^[6]	518,077,274	518,077,274		511,088,869	
Building Value ^[7]	1,015,196	1,015,196		264,332	
Total Net Assets	\$11,211,113,845	\$11,103,239,095	0.97%	\$10,278,181,056	9.08%

[1] Approximately 60% of the portfolio is publicly traded for which values are current to the as of date. The remaining 40% is private assets, the values of which are updated as the managers provide them, typically 30-60 days after the end of each quarter.

[2] Estimated value of production, extraction, and severance tax payments not yet received by the Department because they are not distributed until two months after production date.

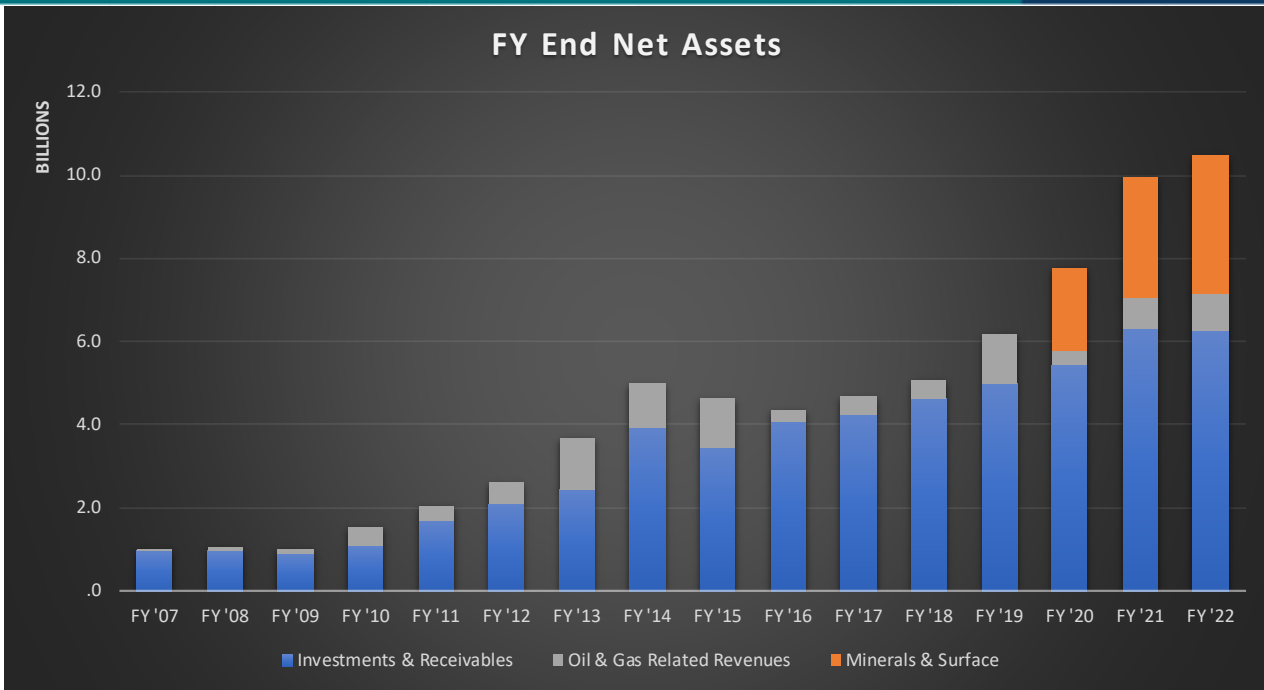
[3] Various loan programs funded with trust assets.

[4] Loans and investments interest accrued, but not yet paid.

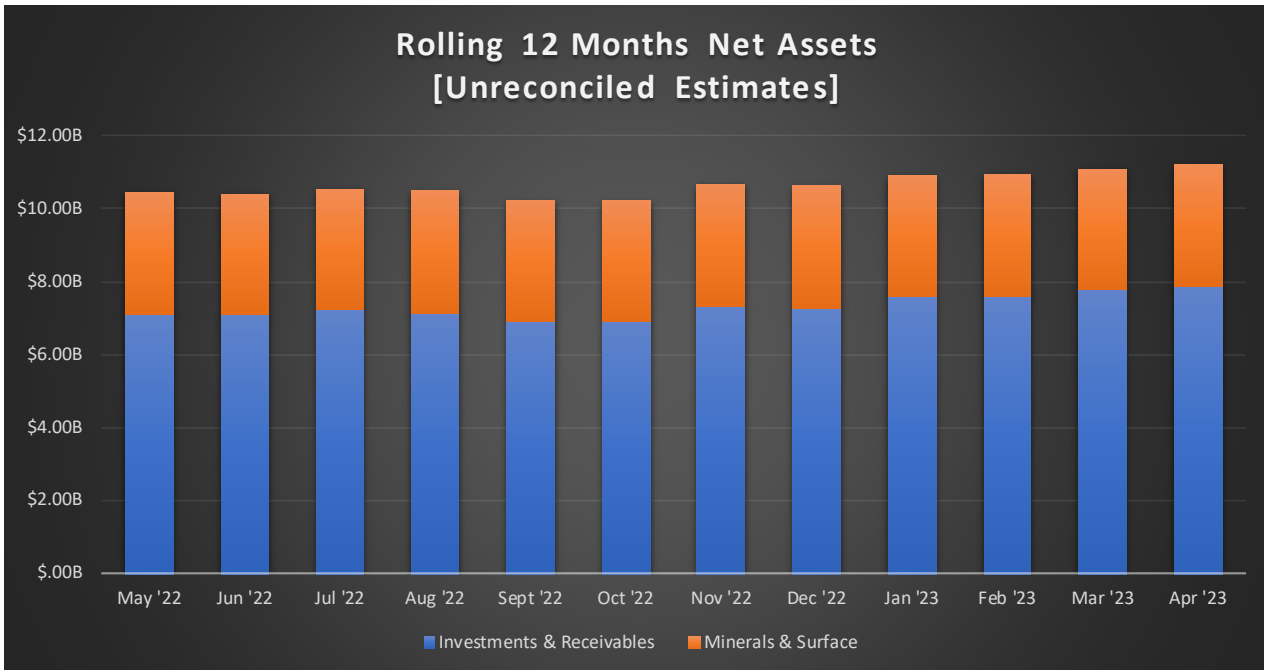
[5] Valued annually via contract with Mineral Tracker. Valuation as of December 31, 2021.

[6] Valued annually via Department fair market value policy. Valuation as of March 2023, based off agricultural values.

[7] Updated annually via broker price opinion. Valuation as of Sept. 15, 2022.



- [1] FY End 2020 - included initial Mineral valuations as of 12/31/19 amounting to \$1,449,002,408 and surface fair market value as of 12/31/19 amounting to \$538,179,773.
- [2] FY End 2021 - included new Mineral valuations as of 12/31/20 amounting to \$2,391,439,503. and surface fair market value as of 12/31/20 amounting to \$523,938,730.
- [3] FY End 2022 - included most recent Mineral valuations as of 12/31/21 amounting to \$2,813,480,347 and surface fair market value as of 12/31/21 amounting to \$511,088,869.



- [1] Dec 2021 includes mineral rights value of \$2,813,480,347
- [2] Sep 2022 includes appraised building value of \$1,015,196
- [3] Mar 2023 includes surface rights value of \$518,077,274

**RE: Investment Updates
(No Action Requested)**

Pipeline

Early-stage ideas across all asset classes.

Portfolio Rebalancing Updates

Funded capital calls in April: none.

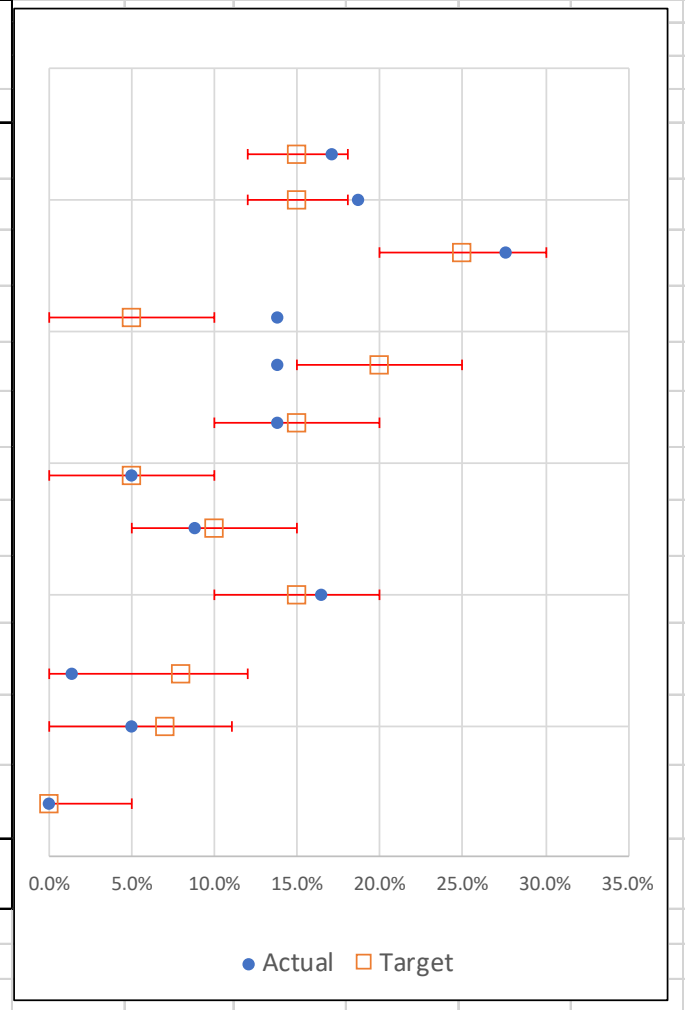
Unfunded commitments remaining total \$555.7M as follows:

1. Private Credit, \$172M
 - i. *ARES Pathfinder Fund, \$39M*
 - ii. *Owl Rock Diversified Lending, \$52.5M*
 - iii. *Angelo Gordon Direct Lending (AGDL) IV, \$10M*
 - iv. *AGDL-BUSL Fund, \$50M*
 - v. *Varde Dislocation Fund, \$20.5M*
2. Private Equity, \$223.8M
 - i. *Grosvenor Capital Management (GCM) Private Equity, \$97.9M*
 - ii. *GCM Secondary Opportunities Fund, \$114.4M*
 - iii. *Morgan Stanley Ashbridge TS Fund II, \$11.5M*
3. Private Infrastructure, \$9.9M
 - i. *Hamilton Lane Infrastructure Opportunities Fund, \$9.9M*
4. Absolute Return, \$150M
 - i. *Millennium USA LP (Hedge Fund), \$150M*

Asset Allocation

The table below shows the status of the permanent trusts' asset allocation as of April 30, 2023 (unaudited).

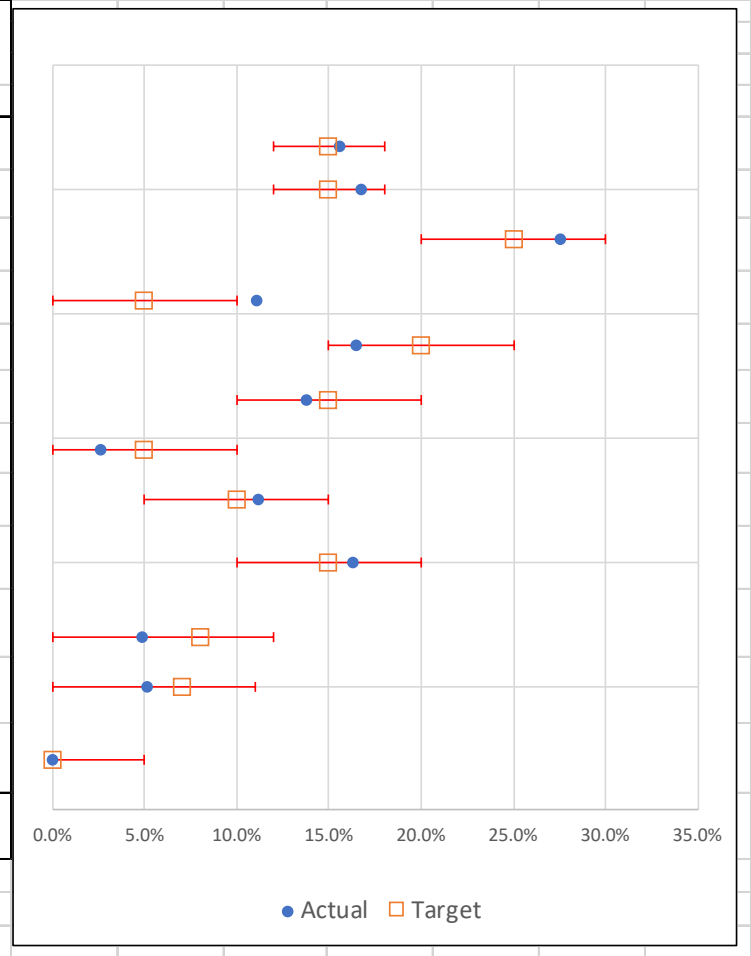
As of April 30, 2023	Market Value \$	Actual ●	Target □	Lower Range └─	Upper Range ─┘
Broad US Equity	1,086,503,345	17.1%	15.0%	12.0%	18.0%
Broad Int'l Equity	1,188,057,590	18.7%	15.0%	12.0%	18.0%
Fixed Income	1,749,618,321	27.6%	25.0%	20.0%	30.0%
<i>Public Credit</i>	873,310,436	13.8%	5.0%	0.0%	10.0%
<i>Private Credit</i>	876,307,885	13.8%	20.0%	15.0%	25.0%
Absolute Return	872,327,395	13.7%	15.0%	10.0%	20.0%
<i>Global Tactical Asset Allocation</i>	315,597,752	5.0%	5.0%	0.0%	10.0%
<i>Multi-Strategy Hedge Fund</i>	556,729,643	8.8%	10.0%	5.0%	15.0%
Real Estate	1,044,016,005	16.5%	15.0%	10.0%	20.0%
Private Equity	86,239,847	1.4%	8.0%	0.0%	12.0%
Private Infrastructure	318,368,968	5.0%	7.0%	0.0%	11.0%
Opportunistic Investments	-	0.0%	0.0%	0.0%	5.0%
Portfolio Total	6,345,131,470	100.0%			



Hypothetical Funding of All Unfunded Commitments:

Asset Allocation After Funding:

As of April 30, 2023	Market Value \$	Actual	Target	Lower Range	Upper Range
		●	□	└	┘
Broad US Equity	988,603,345	15.6%	15.0%	12.0%	18.0%
Broad Int'l Equity	1,062,157,590	16.7%	15.0%	12.0%	18.0%
Fixed Income	1,749,618,321	27.6%	25.0%	20.0%	30.0%
<i>Public Credit</i>	701,310,436	11.1%	5.0%	0.0%	10.0%
<i>Private Credit</i>	1,048,307,885	16.5%	20.0%	15.0%	25.0%
Absolute Return	872,327,395	13.7%	15.0%	10.0%	20.0%
<i>Global Tactical Asset Allocation</i>	165,597,752	2.6%	5.0%	0.0%	10.0%
<i>Multi-Strategy Hedge Fund</i>	706,729,643	11.1%	10.0%	5.0%	15.0%
Real Estate	1,034,116,005	16.3%	15.0%	10.0%	20.0%
Private Equity	310,039,847	4.9%	8.0%	0.0%	12.0%
Private Infrastructure	328,268,968	5.2%	7.0%	0.0%	11.0%
Opportunistic Investments	-	0.0%	0.0%	0.0%	5.0%
Portfolio Total	6,345,131,470	100.0%			



Assumptions:

- i. No other new cash is expected to fund calls.
- ii. No redemption proceeds or distributions were received.
- iii. All capital calls came in at the same time.

MEMORANDUM TO THE BOARD OF UNIVERSITY AND SCHOOL LANDS

May 25, 2023

RE: International Exposures

During the April 27, 2023 meeting, the Board of University and School Lands (Board) discussed its international exposures and the risks associated with China. While there remains geopolitical risks with China, those risks are difficult to predict and measure. The Board agreed to make no immediate changes to the portfolio but to remain alert and flexible.

The Permanent Trust Funds (PTFs) currently have approximately 1.6% exposure to China coming from the Broad International Equity and Global Tactical Asset Allocation (GTAA) portions of the portfolio. Given China being the largest contributor to global GDP at approximately 18%, it was discussed that a 1.6% portfolio exposure could arguably be underweight. Over 90% of the 1.6% portfolio exposure to China is coming from active management strategies which can trade in and out of positions. For the remaining exposure that is passively managed, Staff and RVK propose a solution to provide the Board with speed and flexibility in future decision-making.

Staff and RVK recommend closing the Northern Trust Emerging Markets Index account and transferring proceeds (approximately \$21M) to a new account with State Street Global Advisors (SSGA). SSGA is an existing manager relationship in good standing. SSGA uses regional building blocks to construct their passive index products. This allows them to offer the following:

**State Street MSCI Emerging Markets ex-China Index
State Street MSCI China Index**

By combining the two separate sleeves, it gives the Board the ability to remain currently invested in the Emerging Markets Index and adds the flexibility to turn off the China sleeve at any point in the future. While there is an increased cost to add this feature, Staff and RVK both agree that incorporating the separate sleeves offers the Board speed and flexibility in future decision-making.

Recommendation: The Board approve closing Northern Trust Emerging Markets Index (approx. \$21M) and moving the assets to State Street MSCI Emerging Markets ex China Index + MSCI China Index, subject to standard legal review/documentation.

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

- Attachment 1: RVK Emerging Markets Recommendation
- Attachment 2: State Street Factsheet



Emerging Markets Recommendation

May 25, 2023



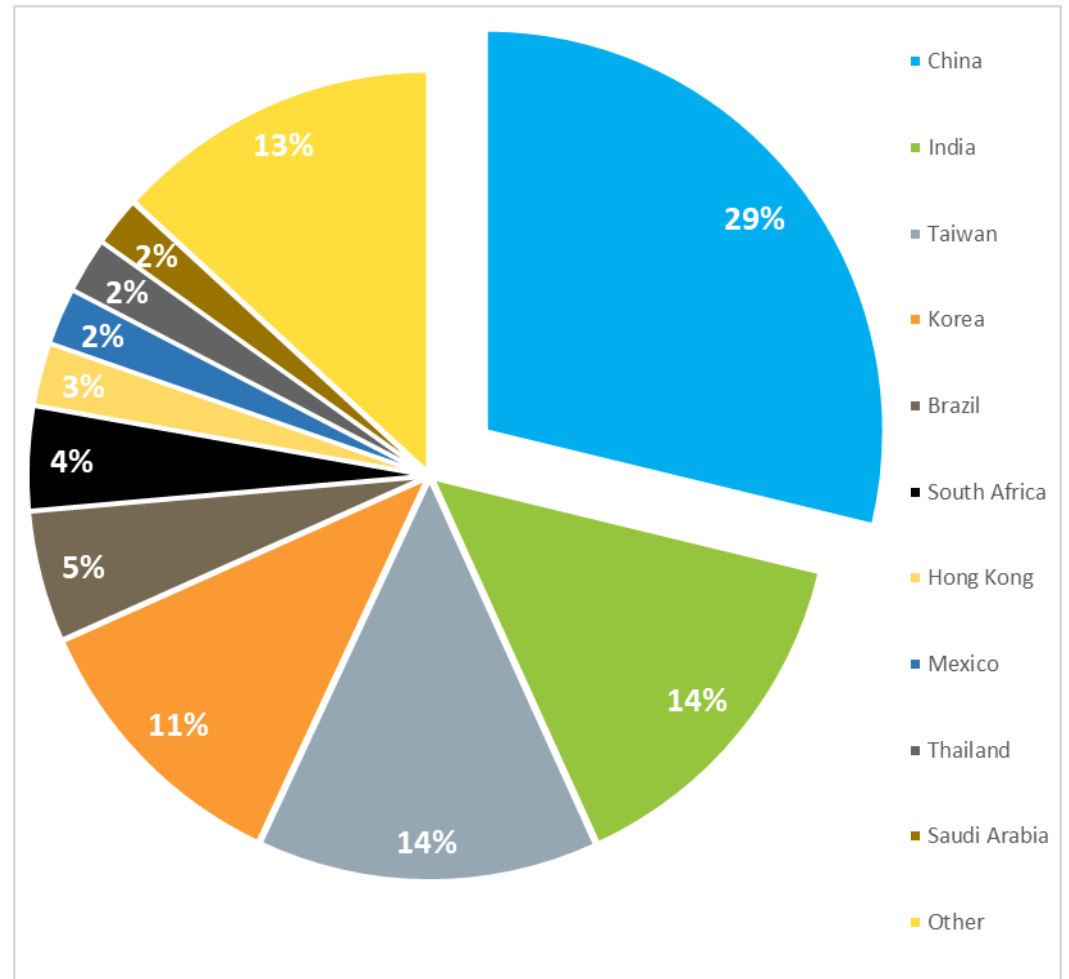
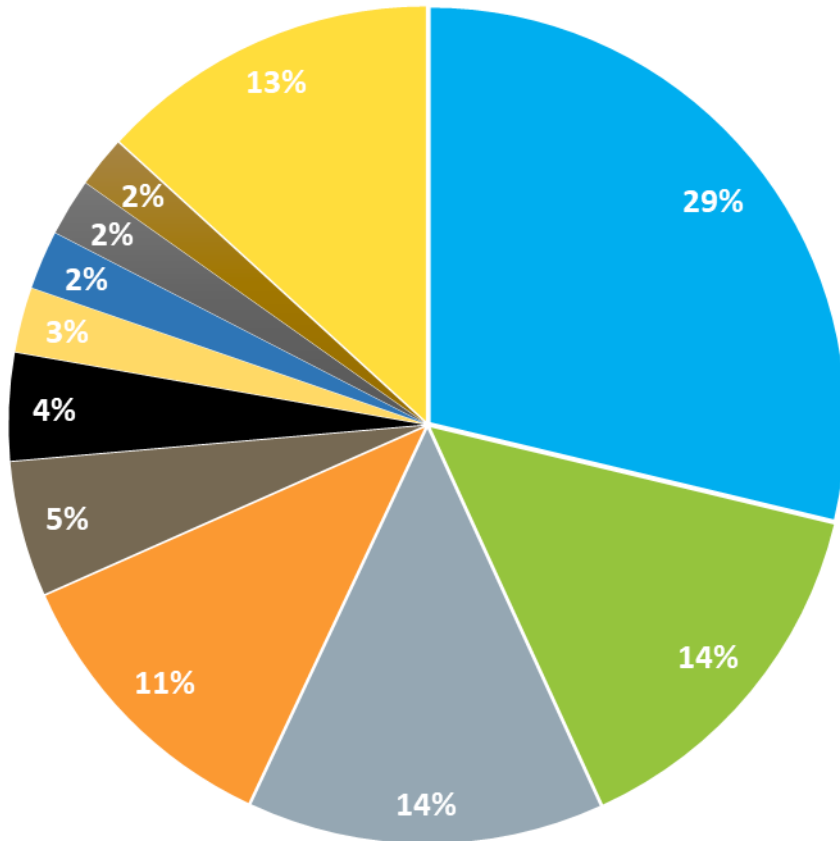
Emerging Markets Recommendation

Emerging Markets ex-China + China

- At the April meeting, RVK reviewed the pros and cons associated with China equity divestment with the NDBUSL Board. At that meeting the Board decided against implementing changes to the underlying assets of the portfolio. This decision was based on the low portfolio exposure and difficulty of predicting geopolitical events and their impact on investments.
- However, given the difficulty of predicting how geopolitical events may play out in China, increased flexibility and versatility within the portfolio's emerging markets managers on a go forward basis may prove useful.
- One option to increase flexibility within the portfolio is to transition from the current Emerging Markets Index (\$21M as of 3/31) into a passive vehicle with 2 separate sleeves 1) Emerging Markets ex-China, and 2) China. This separate sleeve structure would allow the Board to adjust or remove the China allocation in the future should they choose to do so.
- SSGA has confirmed that the cost to manage the EM ex-China + China sleeves at \$21M mandate would be 6 bps. This cost basis is slightly higher than the current 2.19 bps charged by Northern Trust, however, the SSGA dual sleeve structure allows the Board to maintain flexibility in their decision making going forward.

MSCI Emerging Markets Index (USD) (Net)

Top 10 Country Holdings



MSCI Emerging Markets ex China Strategy

Investment Objective

The Strategy seeks an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index (the "Index") over the long term.

Benchmark

MSCI Emerging Markets ex China Index

Investment Strategy

The Strategy is managed using an "indexing" investment approach, by which SSGA attempts to approximate, before expenses, the performance of the Index over the long term. SSGA typically will attempt to invest in the equity securities comprising the Index, in approximately the same proportions as they are represented in the Index. Equity securities may include common stocks, preferred stocks, depositary receipts, or other securities convertible into common stock. Equity securities held by the Strategy may be denominated in foreign currencies and may be held outside the United States. In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct the portfolio in question. SSGA may also utilize other pooled investment vehicles, including those managed by SSGA and its affiliates, as substitutes for gaining direct exposure to securities or a group of securities in the Index.

From time to time securities are added to or removed from the Index. SSGA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, prior to or after their removal or addition to the Index.

The Strategy may at times purchase or sell index futures contracts, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment

directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.

As part of its proxy voting program, SSGA is offering eligible investors that hold units in certain Portfolios a range of voting policies that can be applied to the voting of shares held in that Portfolio. Investors in these select Portfolios may, from time to time, enter into arrangements with SSGA pursuant to which such investors direct that a pro rata portion of shares held by the Portfolio attributable to such investors be voted pursuant to a voting policy made available by a third party proxy voting administrator. For a Portfolio structured as a pooled investment vehicle, an investor's choice of voting policy and the voting of shares in accordance with such policy may not reflect, and may in fact conflict with, the concerns and values of one or more other investors in the Portfolio. To the extent that shares held by the Portfolio are voted pursuant to SSGA's proxy voting program, there is a risk that such shares may be voted in a way that is different to how other equivalent shares held by the Portfolio are being voted. Please also refer to "Essential SSGA: A Summary of State Street Global Advisors' U.S.-Domiciled Commingled Funds, U.S.-Managed Separately Managed Accounts and Related Conflicts of Interest" for additional information on SSGA's policy on proxy voting and the risk factors associated with the SSGA proxy voting program.

The availability of the SSGA proxy voting program is subject to any applicable regulatory, operational (including in respect of fractional voting rights), local market (including any applicable local restrictions on split voting), tax, cost or other constraints of the third party proxy voting or SSGA. SSGA reserves the right to suspend or cancel, in full or in part, the SSGA proxy voting program (in any one instance or more broadly), including with immediate effect, if required by applicable law or regulation or if SSGA otherwise considers that such action is appropriate. This may result in shares being voted in accordance with the SSGA's proxy voting policy rather than in accordance with an investor's choice of voting policy.

This document provides summary information regarding the Strategy. It should be read in conjunction with the Strategy's Disclosure Document, which is available from SSGA. The Strategy Disclosure Document contains important information about the Strategy, including a description of a number of risks.

Key Facts

- Managed using an indexing strategy
- May use futures and other derivatives
- Only designated 'Securities Lending' Portfolios may lend and enter repurchase agreements (See applicable governing documents for a Portfolio's authority to lend. Participation in a securities lending program may adversely affect the investment returns and risk profile of the Portfolio. See "Securities Lending Risk; Risks of Investment of Cash Collateral" in the Strategy Disclosure Document.)
- May invest in other investment pools, including those managed by SSGA and its affiliates
- Is not a leveraged Strategy
- Will not sell securities short

Performance

	Composite (Gross) ^{1,2} (%)	Composite (Net) ^{1,3} (%)	Benchmark ⁴ (%)
Total Returns			
Q1 2023	3.76	3.60	3.60
YTD	3.76	3.60	3.60
1 Year	-13.17	-13.47	-13.32
3 Year	14.10	13.82	14.30
5 Year	-	-	-
Inception to Date (Mar 2020)	5.54	5.28	5.71
Calendar Year Returns			
2023 YTD	3.76	3.60	3.60
2022	-19.36	-19.54	-19.26
2021	9.77	9.55	10.03
2020 Partial	28.57	28.36	28.94
Since Inception	5.54	5.28	5.71

1 The performance shown is of a Composite (as defined below) consisting of all discretionary accounts using this investment strategy. The performance shown is not that of a particular fund or shareclass. The performance shown is not indicative of individual plan participant results, which could differ substantially. The above information is considered supplemental to the GIPS presentation for this Composite, which can be found in the Appendix or was previously presented. A GIPS presentation is also available upon request. **Past performance is not a reliable indicator of future performance.** Performance returns for periods of less than one year are not annualized. The performance figures contained herein are provided on a gross and net of fees basis. Gross of fees do not reflect and net of fees do reflect the deduction of advisory or other fees which could reduce the return. Some members of this composite may accrue administration fees. The performance includes the reinvestment of dividends and other corporate earnings.

2 These performance figures are provided gross of fees and expenses other than actual trading fees and expenses, and reflect all items of income, gain, and loss (other than unrealized gain or loss on units of the securities lending pools held by any portfolio in the Composite). The performance figures do not take account of the mark to market value of the units of the securities lending cash collateral pools held by any of the portfolios in the Composite. If they had, the performance shown would have been lower.

3 These performance figures (i) are provided net of actual trading, audit, custody, administrative and legal fees and expenses; and (ii) reflect all items of income, gain and loss (other than unrealized gain or loss on units of the securities lending pools held by any portfolio in the Composite).

4 Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends (net of any applicable withholding tax rates) and other income and are calculated in U.S. dollars. It is not possible to invest directly in an index.

Performance returns are calculated in U.S. dollars.

Supplemental Information

Characteristics

Annual Dividend Yield (Trailing 12 Months)	3.31%
Beta (Trailing 36 Months)	0.99
Composite Assets Under Management (M)	US\$161.80
Estimated 3-5 Year EPS Growth	9.89%
Price/Book Ratio	1.7x
Price/Earnings (Forward 12 Months)	12.8x
Standard Deviation (Annualized 36 Months)	19.01%
Total Number of Holdings	673
Average Market Cap (M)	US\$70,150.88

For the purpose of complying with the Global Investment Performance Standards (GIPS)[®], the firm ("SSGA-Global") is defined as all portfolios managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of Charitable Asset Management which is held out to the marketplace as a distinct business entity. Prior to January 2011, SSGA-Global excluded its wrap fee business and assets accounted for on a book value basis (global cash and stable value assets). Prior to July 2017, SSGA-Global excluded Fiduciary Advisory Solutions. In January 2011, SSGA acquired the Bank of Ireland Asset Management Limited (now known as SSGA Ireland Limited), a GIPS Compliant firm. On January 01, 2012 SSGA Ireland Limited assets were merged into SSGA-Global. In July 2016, SSGA acquired the asset management and advisory services business conducted by GE Asset Management ("GEAM"), a GIPS Compliant firm. On July 01, 2017 GEAM assets were merged into SSGA-Global.

The MSCI Emerging Markets ex China Strategy Composite (the "Composite"), inception date 6/1/2020, seeks to achieve the Investment Objective described above using the Investment Strategy described above, and includes all portfolios that SSGA has determined are similarly managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of Charitable Asset Management, which is held out to the market place as a distinct business entity.

To receive a complete list and description of SSGA-Global's composites and/or a GIPS[®] composite report, please contact your SSGA Representative. SSGA-Global claims compliance with the Global Investment Performance Standards (GIPS)[®]. GIPS[®] is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

An investment in the Strategy is not FDIC insured, nor is it an obligation or deposit of, or guaranteed by State Street Corporation, SSGA or their affiliates.

The MSCI Emerging Markets ex China Index is a trademark of MSCI Inc.

Top Holdings	Percent
TAIWAN SEMICONDUCTOR MANUFAC	9.83
SAMSUNG ELECTRONICS CO LTD	5.27
RELIANCE INDUSTRIES LTD	1.92
VALE SA	1.38
INFOSYS LTD	1.30
HOUSING DEVELOPMENT FINANCE	1.23
ICICI BANK LTD	1.22
Hon Hai Precision Industry	0.97
NASPERS LTD-N SHS	0.93
MEDIATEK INC	0.90
Sector Allocation	Percent
Information Technology	27.52
Financials	23.84
Materials	11.14
Consumer Staples	6.67
Consumer Discretionary	6.38
Industrials	6.25
Communication Services	5.80
Energy	5.66
Health Care	2.79
Utilities	2.70
Real Estate	1.22
Top Countries	Percent
Taiwan	22.75
India	18.77
Korea	17.80
Brazil	7.27
Saudi Arabia	5.85
South Africa	5.27
Mexico	3.93
Thailand	3.21
Indonesia	2.86
Malaysia	2.17

The Supplemental Information above (except for the Beta and Standard Deviation, if shown) is that of a single representative account within the Composite, which is subject to change. The representative account was chosen because it has no material restrictions and fairly represents the investment style of the Strategy. The Supplemental Information should not be deemed to be reflective of (and could differ from) the overall Composite or any other single account within the Composite. Certain Supplemental Information may be rounded to the nearest hundredth decimal and may result in the total not adding up to 100.

The Top Holdings reflect certain securities that the representative account has bought and may not be representative of the Strategy's current or future investments. In the case of fixed income and cash funds the securities are aggregated and shown at the issuer level. The Top Holdings do not include other assets or instruments that may be held by the representative account including, for example and not by way of limitation, cash or cash equivalents and derivatives such as futures, options and swaps. The figures presented are as of the date shown above, do not include the representative account's entire investment portfolio, and may change at any time. This information should not be considered a recommendation to invest in a particular sector or to buy or sell any security. It is not known whether an investment in any sectors or securities will be profitable in the future.

Characteristics are calculated using the month-end market value of holdings of the representative account, and where averages are shown these reflect the market weights of the securities in the representative account. For beta and standard deviation, if shown, these reflect Composite month-end returns. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.

Market data, prices, and dividend estimates for characteristics calculations provided by Factset Research Systems, Inc. All other portfolio data provided by SSGA. Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street. Effective October 1, 2018, GICS renamed the "Telecommunication Services" sector to "Communication Services", which resulted in the sector reclassification of some companies.

Securities Lending

The Strategy may participate in an agency securities lending program (the "Lending Program") sponsored by State Street Bank and Trust Company ("State Street") for the purpose of lending the Strategy's securities and investing the collateral in a collateral reinvestment fund (each a "Collateral Pool"). None of the Collateral Pools are FDIC-insured bank deposits or otherwise guaranteed by SSGA or State Street or any of their respective affiliates. Investors may lose money by participating in the Lending Program and through investments in a Collateral Pool. For more information, including the risks associated with participating in the Lending Program you should review the SSGA Securities Lending Program Disclosure and the disclosure document and fact sheet for the relevant Collateral Pool.

ssga.com

**Information Classification: General
For institutional / professional
investors use only.**

The Strategy is managed by State Street Global Advisors Trust Company, a wholly owned subsidiary of State Street Bank and Trust Company, and a global leader in providing investment management solutions to clients worldwide. To learn more about SSGA, visit our web site at www.ssga.com.

Important Information

SSGA generally delegates commodities management for separately managed

accounts to SSGA FM, a wholly owned subsidiary of State Street and an affiliate of SSGA. SSGA FM is registered as a commodity trading advisor ("CTA") with the Commodity Futures Trading Commission and National Futures Association.

Important Message About Risk

Investing involves risk including the risk of loss of principal. Generally, among asset classes, stocks are more volatile than bonds or short-term instruments. Stock values fluctuate in response to the activities of individual companies and general market and economic conditions and at times the risk level of the Strategy may be greater than that of the U.S. stock market in general. In addition, the Strategy may use derivative instruments which may involve risks such as potential

illiquidity of the markets and additional risk of loss of principal. All information is from SSGA unless otherwise noted and has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such. The information provided does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. You should consult your tax and financial advisor. The trademarks and service marks referenced herein are the property of their respective owners. Third party data providers make no

warranties or representations of any kind relating to the accuracy, completeness or timeliness of the data and have no liability for damages of any kind relating to the use of such data. **United States:** State Street Global Advisors, 1 Iron Street, Boston, MA 02210. **State Street regards the Fact Sheets in their distributed form to be complete documents that include material information regarding the Strategy for investment consideration. The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA's express written consent.**

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Tracking Number: 2256377.5.1.AM.INST
Expiration Date: 08/29/2023

Equity

MSCI China Index Strategy

Investment Objective

The Strategy seeks an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index (the "Index") over the long term.

Benchmark

MSCI China Index

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From time to time securities are added to or removed from the Index. SSGA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, prior to or after their removal or addition to the Index.

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proxy voting policy rather than in accordance with an investor's choice of voting policy.

Key Facts

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- May use futures and other derivatives
- Only designated 'Securities Lending' Portfolios may lend and enter repurchase agreements (See applicable governing documents for a Portfolio's authority to lend. Participation in a securities lending program may adversely affect the investment returns and risk profile of the Portfolio. See "Securities Lending Risk; Risks of Investment of Cash Collateral" in the Strategy Disclosure Document.)
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- Is not a leveraged Strategy
- Will not sell securities short

Performance

	Composite (Gross) ^{1,2} (%)	Composite (Net) ^{1,3} (%)	Benchmark ⁴ (%)
Total Returns			
Q1 2023	4.79	4.72	4.71
YTD	4.79	4.72	4.71
1 Year	-4.49	-4.73	-4.73
3 Year	-2.38	-2.62	-2.64
5 Year	-3.82	-4.06	-4.01
10 Year	3.44	3.16	3.38
Calendar Year Returns			
2023 YTD	4.79	4.72	4.71
2022	-21.73	-21.92	-21.93
2021	-21.48	-21.67	-21.72
2020	29.75	29.42	29.49
2019	23.58	23.27	23.46
2018	-18.84	-19.04	-18.88

1 The performance shown is of a Composite (as defined below) consisting of all discretionary accounts using this investment strategy. The performance shown is not that of a particular fund or shareclass. The performance shown is not indicative of individual plan participant results, which could differ substantially. The above information is considered supplemental to the GIPS presentation for this Composite, which can be found in the Appendix or was previously presented. A GIPS presentation is also available upon request. **Past performance is not a reliable indicator of future performance.** Performance returns for periods of less than one year are not annualized. The performance figures contained herein are provided on a gross and net of fees basis. Gross of fees do not reflect and net of fees do reflect the deduction of advisory or other fees which could reduce the return. Some members of this composite may accrue administration fees. The performance includes the reinvestment of dividends and other corporate earnings.

2 These performance figures are provided gross of fees and expenses other than actual trading fees and expenses, and reflect all items of income, gain, and loss (other than unrealized gain or loss on units of the securities lending pools held by any portfolio in the Composite). The performance figures do not take account of the mark to market value of the units of the securities lending cash collateral pools held by any of the portfolios in the Composite. If they had, the performance shown would have been lower.

3 These performance figures (i) are provided net of actual trading, audit, custody, administrative and legal fees and expenses; (ii) beginning on September 30, 2014, adjusted quarterly to reflect the highest investment management fee on the actual fee schedule, inclusive of incentive fee, if any, of any account within the Composite ("Management Fee") at the relevant time; prior to September 30, 2014, adjusted for an assumed investment management fee, which is equal to or higher than the Management Fee (except in each case certain small accounts-subject to a minimum investment management fee-may have incurred an actual investment management fee higher than that fee assumed in calculating the performance shown above); and (iii) reflect all items of income, gain and loss (other than unrealized gain or loss on units of the securities lending pools held by any portfolio in the Composite).

4 Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends (net of any applicable withholding tax rates) and other income and are calculated in U.S. dollars. It is not possible to invest directly in an index.

Performance returns are calculated in U.S. dollars.

For the purpose of complying with the Global Investment Performance Standards (GIPS)[®], the firm ("SSGA-Global") is defined as all portfolios managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of Charitable Asset Management which is held out to the marketplace as a distinct business entity. Prior to January 2011, SSGA-Global excluded its wrap fee business and assets accounted for on a book value basis (global cash and stable value assets). Prior to July 2017, SSGA-Global excluded Fiduciary Advisory Solutions. In January 2011, SSGA acquired the Bank of Ireland Asset Management Limited (now known as SSGA Ireland Limited), a GIPS Compliant firm. On January 01, 2012 SSGA Ireland Limited assets were merged into SSGA-Global. In July 2016, SSGA acquired the asset management and advisory services business conducted by GE Asset Management ("GEAM"), a GIPS Compliant firm. On July 01, 2017 GEAM assets were merged into SSGA-Global.

The MSCI China Index Composite (the "Composite"), inception date 10/1/1998, seeks to achieve the Investment Objective described above using the Investment Strategy described above, and includes all portfolios that SSGA has determined are similarly managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of Charitable Asset Management, which is held out to the market place as a distinct business entity. Prior to January 2011, the Composite also excluded portfolios within SSGA's wrap fee business (Intermediary Business Group [IBG]) and assets accounted for on a book value basis (global cash and stable value assets). Prior to July 2017, the Composite also excluded portfolios within the Fiduciary Advisory Solutions business.

To receive a complete list and description of SSGA-Global's composites and/or a GIPS[®] composite report, please contact your SSGA Representative. SSGA-Global claims compliance with the Global Investment Performance Standards (GIPS)[®]. GIPS[®] is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

An investment in the Strategy is not FDIC insured, nor is it an obligation or deposit of, or guaranteed by State Street Corporation, SSGA or their affiliates.

The MSCI China Index is a trademark of MSCI Inc.

Supplemental Information

Characteristics

Annual Dividend Yield (Trailing 12 Months)	2.35%
Beta (Trailing 36 Months)	1.00
Composite Assets Under Management (M)	US\$3,637.06
Estimated 3-5 Year EPS Growth	15.26%
Price/Book Ratio	1.4x
Price/Earnings (Forward 12 Months)	10.7x
Standard Deviation (Annualized 36 Months)	29.24%
Total Number of Holdings	730
Average Market Cap (M)	US\$82,560.04

Top Holdings	Percent
TENCENT HOLDINGS LTD	15.32
ALIBABA GROUP HOLDING LTD	9.47
MEITUAN-CLASS B	4.54
CHINA CONSTRUCTION BANK-H	3.11
JD.COM INC - CL A	2.37
BAIDU INC-CLASS A	2.07
PING AN INSURANCE GROUP CO-H	2.06
PDD HOLDINGS INC	1.92
NETEASE INC	1.73
BANK OF CHINA LTD-H	1.52

Sector Allocation	Percent
Consumer Discretionary	30.57
Communication Services	21.78
Financials	15.13
Health Care	5.47
Consumer Staples	5.42
Information Technology	5.38
Industrials	4.69
Real Estate	3.49
Materials	2.94
Energy	2.74
Utilities	2.39

The Supplemental Information above (except for the Beta and Standard Deviation, if shown) is that of a single representative account within the Composite, which is subject to change. The representative account was chosen because it has no material restrictions and fairly represents the investment style of the Strategy. The Supplemental Information should not be deemed to be reflective of (and could differ from) the overall Composite or any other single account within the Composite. Certain Supplemental Information may be rounded to the nearest hundredth decimal and may result in the total not adding up to 100.

The Top Holdings reflect certain securities that the representative account has bought and may not be representative of the Strategy's current or future investments. In the case of fixed income and cash funds the securities are aggregated and shown at the issuer level. The Top Holdings do not include other assets or instruments that may be held by the representative account including, for example and not by way of limitation, cash or cash equivalents and derivatives such as futures, options and swaps. The figures presented are as of the date shown above, do not include the representative account's entire investment portfolio, and may change at any time. This information should not be considered a recommendation to invest in a particular sector or to buy or sell any security. It is not known whether an investment in any sectors or securities will be profitable in the future.

Characteristics are calculated using the month-end market value of holdings of the representative account, and where averages are shown these reflect the market weights of the securities in the representative account. For beta and standard deviation, if shown, these reflect Composite month-end returns. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.

Market data, prices, and dividend estimates for characteristics calculations provided by Factset Research Systems, Inc. All other portfolio data provided by SSGA. Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street. Effective October 1, 2018, GICS renamed the "Telecommunication Services" sector to "Communication Services", which resulted in the sector reclassification of some companies.

Securities Lending

The Strategy may participate in an agency securities lending program (the "Lending Program") sponsored by State Street Bank and Trust Company ("State Street") for the purpose of lending the Strategy's securities and investing the collateral in a collateral reinvestment fund (each a "Collateral Pool"). None of the Collateral Pools are FDIC-insured bank deposits or otherwise guaranteed by SSGA or State Street or any of their respective affiliates. Investors may lose money by participating in the Lending Program and through investments in a Collateral Pool. For more information, including the risks associated with participating in the Lending Program you should review the SSGA Securities Lending Program Disclosure and the disclosure document and fact sheet for the relevant Collateral Pool.

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**Information Classification: General
For institutional / professional
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Investing involves risk including the risk of loss of principal. Generally, among asset classes, stocks are more volatile than bonds or short-term instruments. Stock values fluctuate in response to the activities of individual companies and general market and economic conditions and at times the risk level of the Strategy may be greater than that of the U.S. stock market in general. In addition, the Strategy may use derivative instruments which may involve risks such as potential

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Expiration Date: 08/29/2023

PART I: **HEDGE FUND DRAG**

What is beta?

Beta is the passive market index return.

Beta is a commoditized product and easily obtained at a low cost.

Example

Manager A is known for its low cost. They offer a Russell 1000 index product, charging a 1 bps management fee with the goal of closely tracking the Russell 1000 returns.

What is alpha?

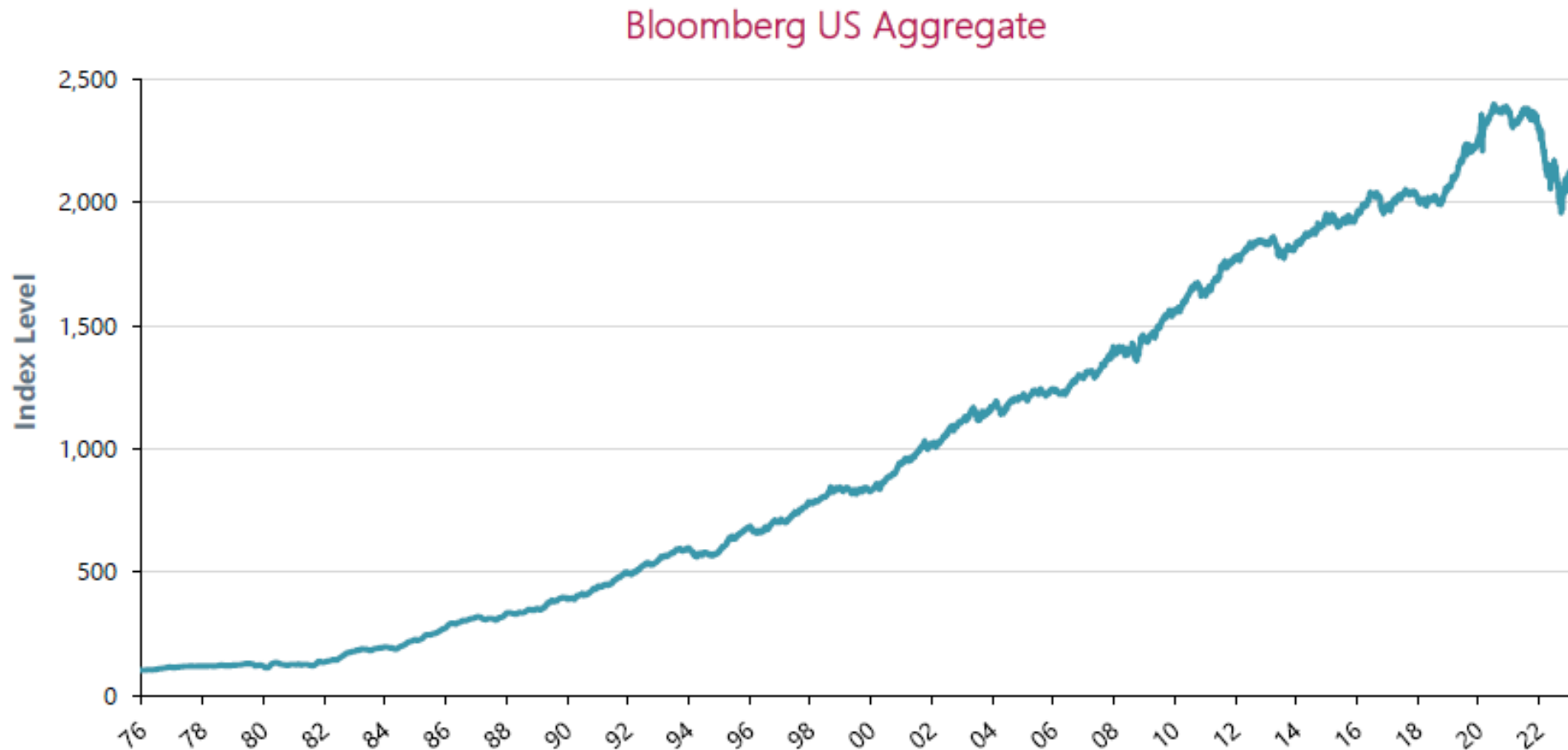
Alpha is return above and beyond the market index return. It costs more and is harder to find.

Example

Manager B is known for its fundamental bottom-ups analysis on stocks. They offer an Emerging Markets fund, charging a 70 bps management fee with the goal of beating the MSCI Emerging Markets Index.

BOND BETA

The bond market has been trending up for 50 years, since inception of the US Agg (1976).



STOCK BETA

The stock market has been trending up for 120 years, since inception of the Dow Jones (1896).



Portfolio Drag

A potential drag on long-term portfolio returns is the growing hedge fund portfolio. Absolute return strategies can be a valuable source of diversification but can also drag the portfolio during bull markets because they are underexposed to broad market beta.

HEDGE FUND ANALYSIS

Our current hedge fund portfolio (\$550m) is comprised of three managers. It exhibits little to no beta relative to the broader equity and bond market indices.

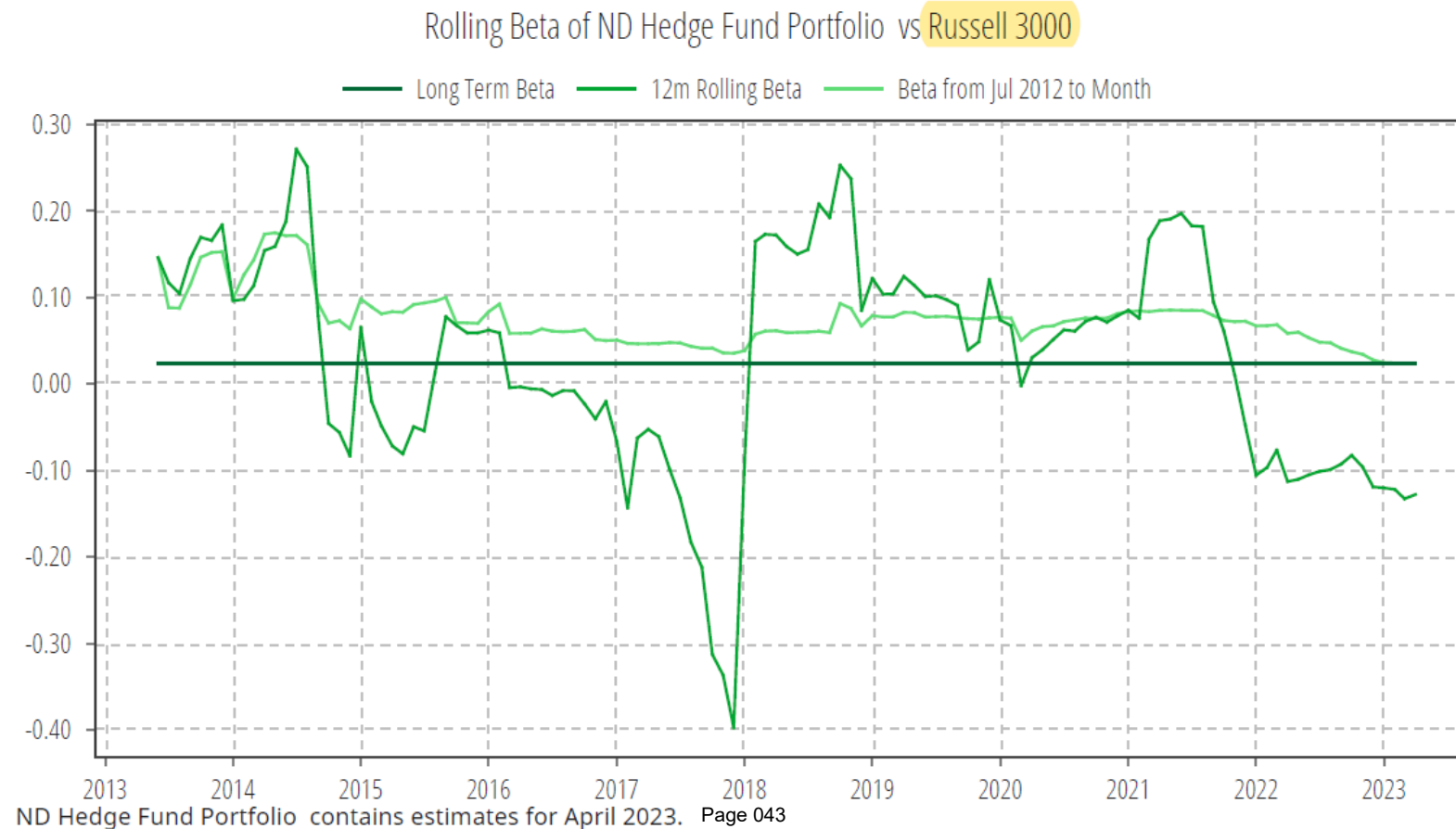
Sensitivity of Current Systematic Series to Tactical Indices

Relative To	1 Year ¹				Lifetime ²			
	Beta	Alpha	R ²	Correlation	Beta	Alpha	R ²	Correlation
HFRI RV: Multi Strategy ³	-0.05	0.0%	0.11	-0.34	-0.10	0.1%	0.07	-0.27
Russell 3000 ⁴	-0.02	0.0%	0.36	-0.60	-0.01	0.1%	0.03	-0.16
CSFB Leveraged Loan ⁵	-0.03	0.0%	0.06	-0.25	-0.11	0.1%	0.18	-0.43
USD 3M Libor ⁶	0.28	-0.1%	0.03	0.16	0.03	0.1%	0.00	0.01
FTSE All World ex US ⁷	-0.02	0.0%	0.29	-0.54	-0.02	0.1%	0.06	-0.25
iShares Barclays Aggregate Bond Index Intraday Indicative Value ⁸	-0.03	0.0%	0.23	-0.48	-0.02	0.1%	0.00	-0.07

0 of 3 funds have no systematic factors, representing 0.0% of the portfolio. ¹May 2022 - Apr 2023 ²Jul 2012 - Apr 2023 ³Benchmark ⁴Index 1 ⁵Index 4 ⁶Target ⁷Index 3 ⁸Index 2

HEDGE FUND ANALYSIS

Relative to equity markets, hedge fund beta moves dynamically over time, averaging near zero over the long run.



HEDGE FUND ANALYSIS

Relative to bond markets, hedge fund beta moves dynamically over time, averaging near zero over the long run.

Rolling Beta of ND Hedge Fund Portfolio vs iShares Barclays Aggregate Bond Index Intraday Indicative Value

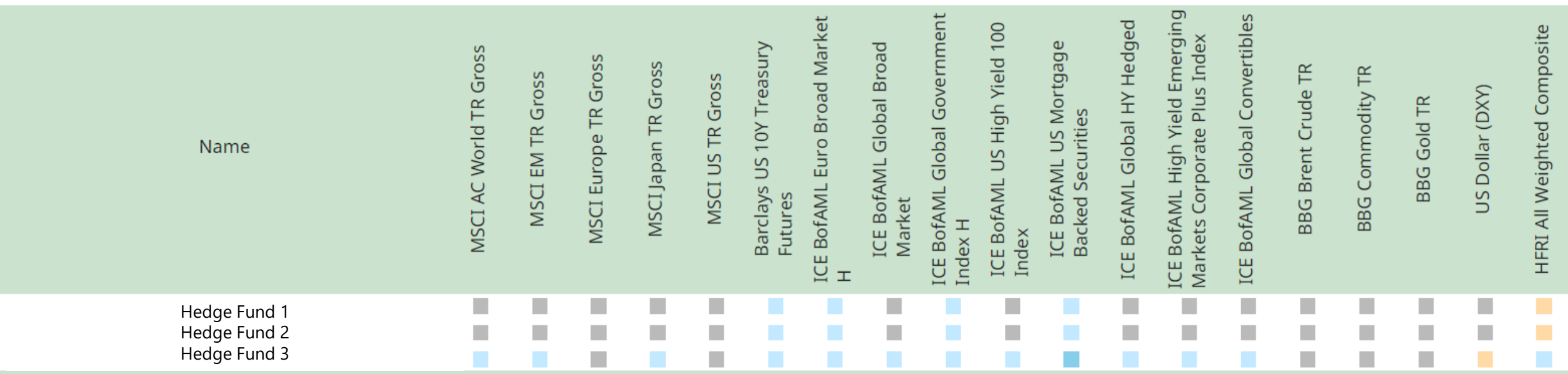


HEDGE FUND ANALYSIS

Each of our hedge fund managers tracks close to zero beta across a variety of broad market indices.

Market Beta Heat Map, 3 Years

■ Beta < -0.8
 ■ -0.8 to -0.4
 ■ -0.4 to -0.1
 ■ -0.1 to 0.1
 ■ 0.1 to 0.4
 ■ 0.4 to 0.8
 ■ Beta > 0.8

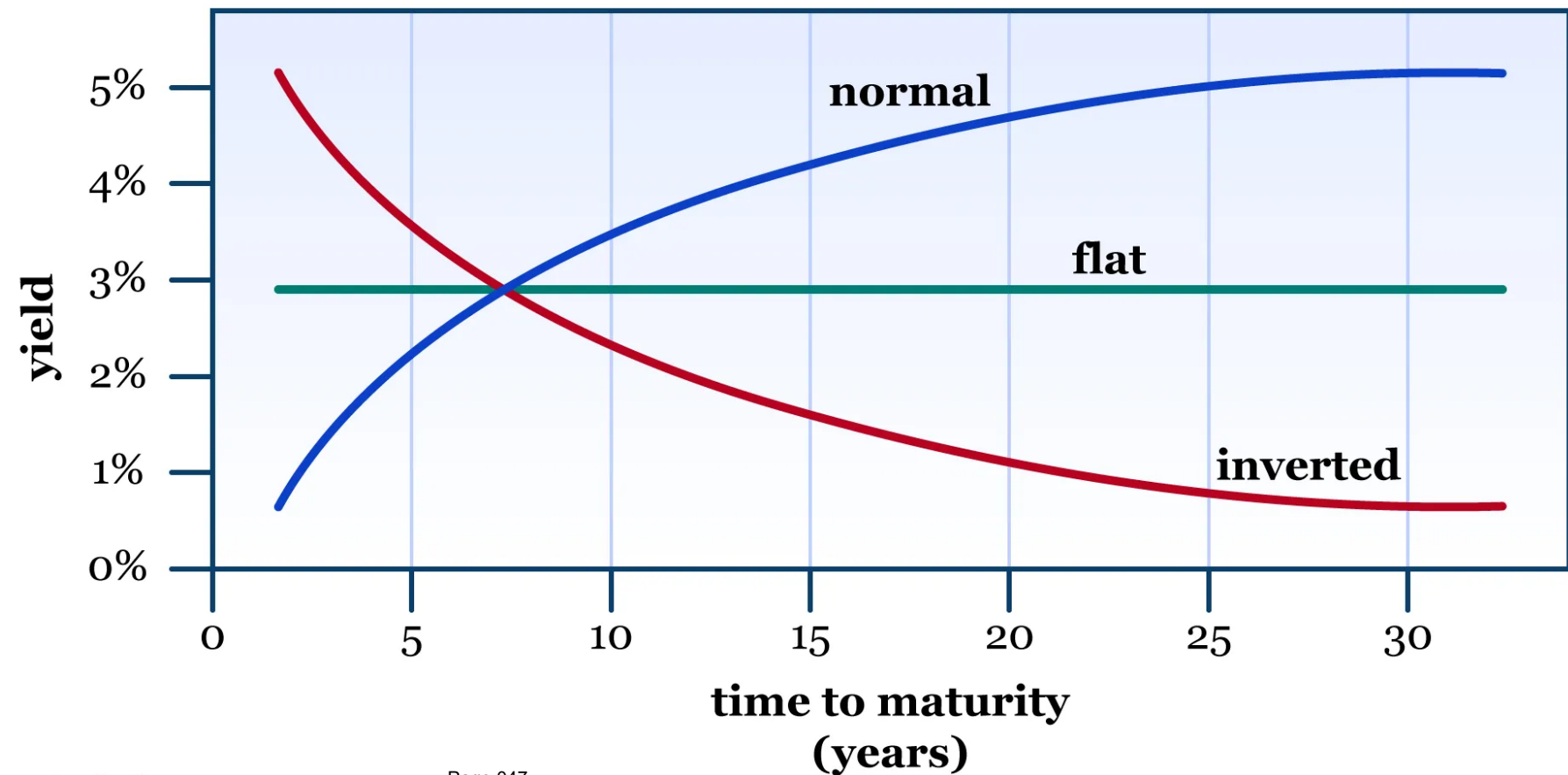


PART II: **PORTFOLIO LEVERAGE**

What is the yield curve?

A graphical representation of bond yields across maturity dates, plotted with maturity (x-axis) versus yield (y-axis).

Yield curve



What is the efficient frontier?

The efficient frontier represents the optimized set of portfolio options. It is based on forward looking return, risk, and correlation forecasts, and is represented graphically with risk (x-axis) versus return (y-axis).

The goal is to be in the upper left quadrant – higher return, lower risk.



Leverage

Use leverage to reincorporate portfolio beta, particularly fixed income with much higher yields than the last strategic asset allocation study. Combining the “alpha” from the hedge fund portfolio with low cost “beta” exposure to the bond market can provide a more efficient allocation of capital in the portfolio.

WHAT IS LEVERAGE?

Leverage is the act of borrowing to gain additional market exposure.

Explicit Leverage

Traditional borrowing of capital to deploy elsewhere.

Implicit Leverage

Using derivative contracts (futures or swaps). Institutional investors can access derivative markets by opening a prime brokerage account or hiring an overlay manager for approximately 5 to 10 bps cost.

WHEN TO USE LEVERAGE?

Leverage is used when expected returns are higher than borrowing costs.

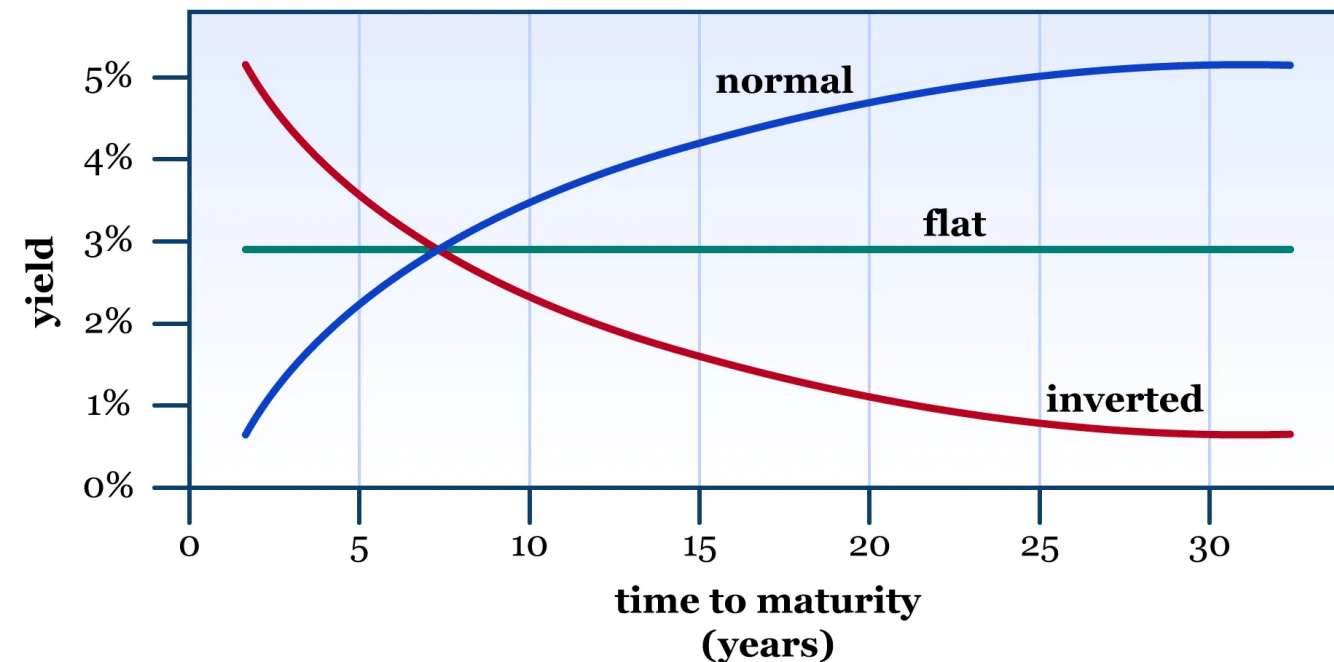
Example 1 (Inverted Yield Curve)

If the Bloomberg Barclays US Aggregate Bond Index is expected to return 3% and our cost to borrow is 5%, then we do **not** borrow.

Example 2 (Normal Yield Curve)

If the Bloomberg Barclays US Aggregate Bond Index is expected to return 3% and our cost to borrow is 1%, then we borrow.

Yield curve



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WHERE TO USE LEVERAGE?

Leverage should be used in markets that are highly liquid and have low volatility. Our public credit portfolio is the ideal place to introduce leverage because bond markets are highly liquid and have lower volatility than other asset classes.

Figure 1 - RVK Assumptions vs. Longest Historical Time Frame

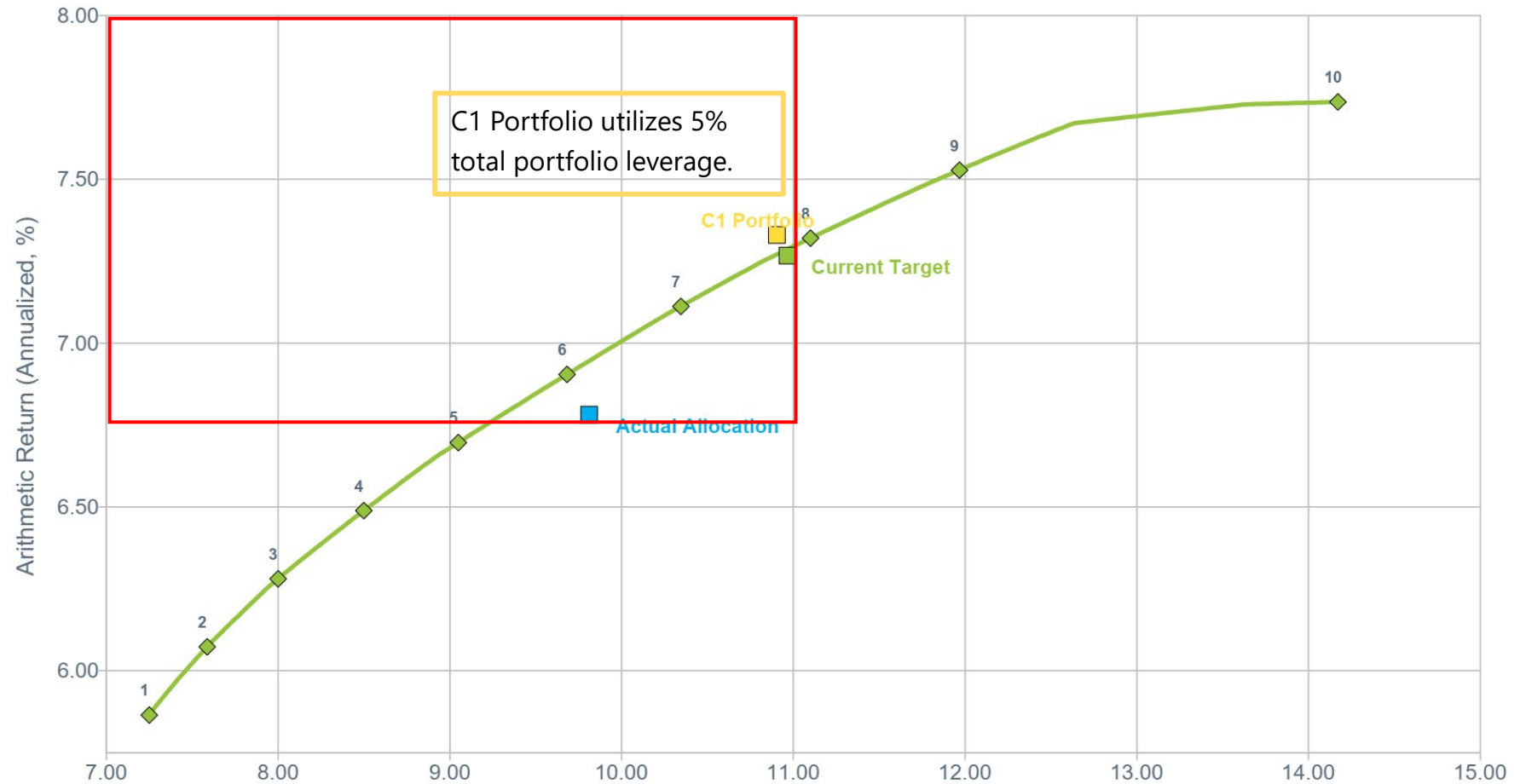
Statistics are calculated based on annual periodicity.

Asset Class	Arithmetic Return Assumption	Standard Deviation Assumption
Broad US Equity	6.80	16.10
Broad International Equity	9.35	18.70
Private Equity	10.00	22.00
US Agg Fixed Income	4.00	5.05
Private Credit	8.00	13.01
GTAA	6.00	9.07
Multi-Strategy Hedge Funds	5.75	8.50
Core Real Estate	5.75	12.50
Private Core Infrastructure	7.25	15.00
Cash Equivalents	2.50	2.05

Index	Longest Historical Time Frame	Annualized Arithmetic Return	Annual Standard Deviation
Russell 3000	Jan 1979 - Dec 2022	11.58	16.79
MSCI ACW Ex US IMI (Gross)	Jun 1994 - Dec 2022	5.15	20.89
Cambridge US Private Equity Index	Jan 1987 - Dec 2021	14.64	13.06
Bloomberg US Agg Bond	Jan 1980 - Dec 2022	6.76	7.39
--	--	--	--
Custom GTAA Index*	Dec 1988 - Dec 2022	6.57	11.70
HFRI RV Multi-Strategy	Jan 1990 - Dec 2022	7.07	8.47
NCREIF ODCE (Gross) (AWA)	Mar 1978 - Sep 2022	8.55	9.34
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BofA ML 3 Mo US T-Bill	Jan 1978 - Dec 2022	4.56	4.05

WHY USE LEVERAGE?

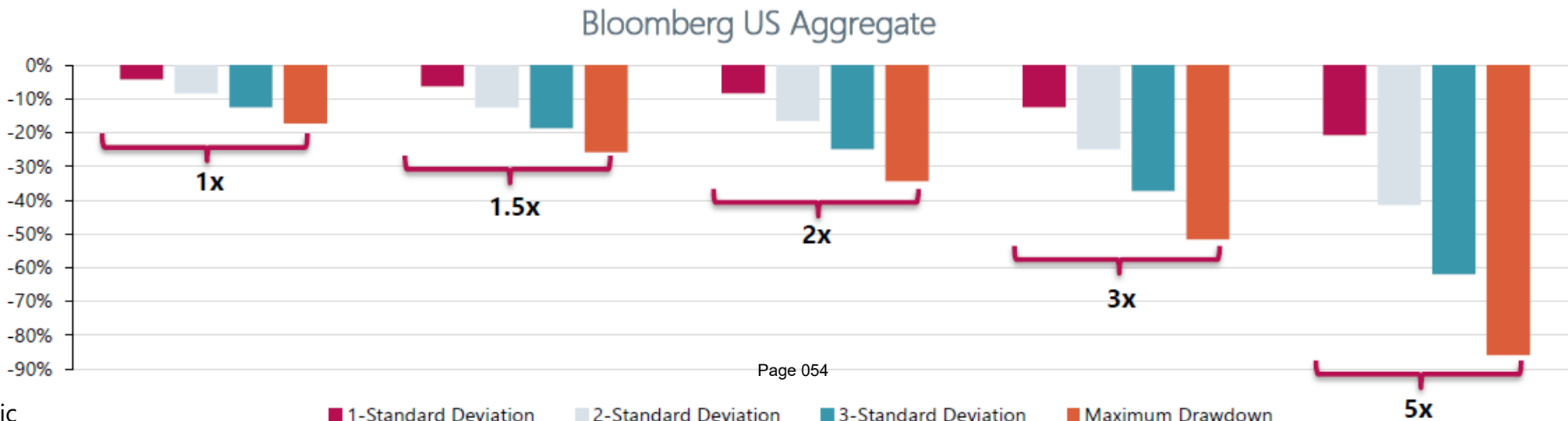
Leverage can improve portfolio efficiency by reincorporating the missing beta from our growing hedge fund portfolio and pushing us closer to the upper left quadrant of the efficient frontier.



HOW TO USE LEVERAGE?

Stress test bonds to understand downside risks.

Bloomberg US Aggregate	1x	1.5x	2x	3x	5x
1-Standard Deviation	-4.13%	-6.20%	-8.26%	-12.39%	-20.66%
2-Standard Deviation	-8.26%	-12.39%	-16.52%	-24.79%	-41.31%
3-Standard Deviation	-12.39%	-18.59%	-24.79%	-37.18%	-61.97%
Maximum Drawdown	-17.18%	-25.77%	-34.36%	-51.54%	-85.90%

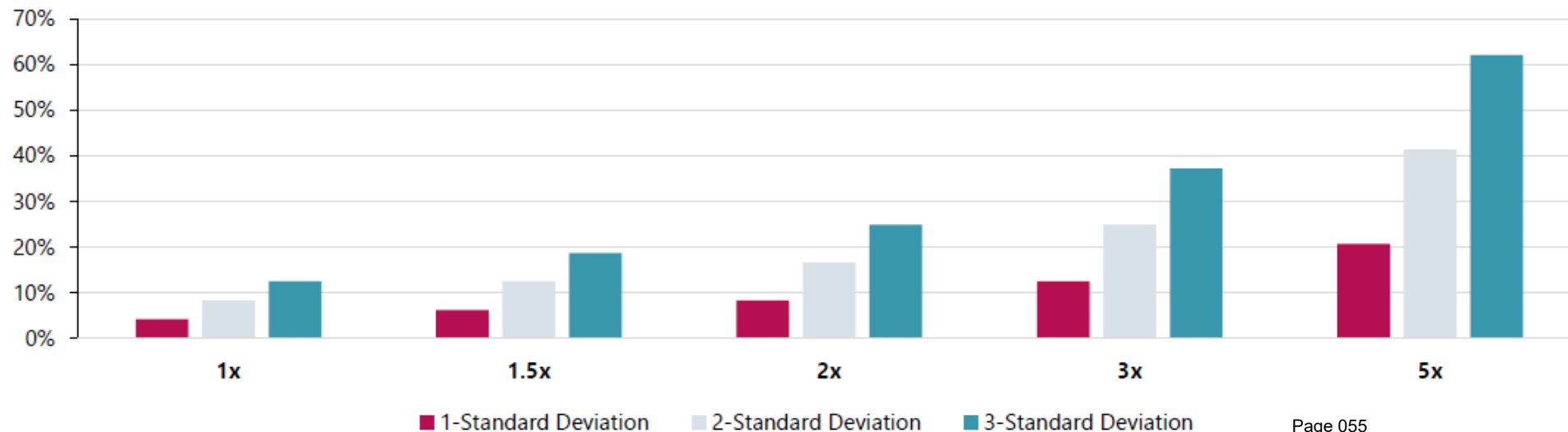


HOW TO USE LEVERAGE?

Based on expected volatility, create risk management guidelines by setting a maximum leverage limit.

Bloomberg US Aggregate	1x	1.5x	2x	3x	5x
1-Standard Deviation	4.13%	6.20%	8.26%	12.39%	20.66%
2-Standard Deviation	8.26%	12.39%	16.52%	24.79%	41.31%
3-Standard Deviation	12.39%	18.59%	24.79%	37.18%	61.97%

Bloomberg US Aggregate



- The hedge fund portfolio is successfully delivering alpha, but this can be a drag on the portfolio over the long run
- Leverage is a way to reincorporate beta into the portfolio
- Public credit is the best place to introduce leverage because it is highly liquid and has a lower volatility profile compared to other asset classes
- Adding leverage guidelines to the Strategic Asset Allocation (SAA) and Investment Policy Statement (IPS) would look like this
 - TARGET: 1.5x bond leverage or 5% total portfolio leverage (\$315m exposure)
 - MAXIMUM: 2.0x bond leverage or 10% total portfolio leverage (\$630m exposure)

**LAND BOARD PRELIMINARY REVIEW
OF M. FAMILY LLC NO NET LOSS LAND SALE APPLICATION**



HISTORY OF LAND SALES

1889 – Enabling Act of 1889 granted approximately 3 million acres to the State

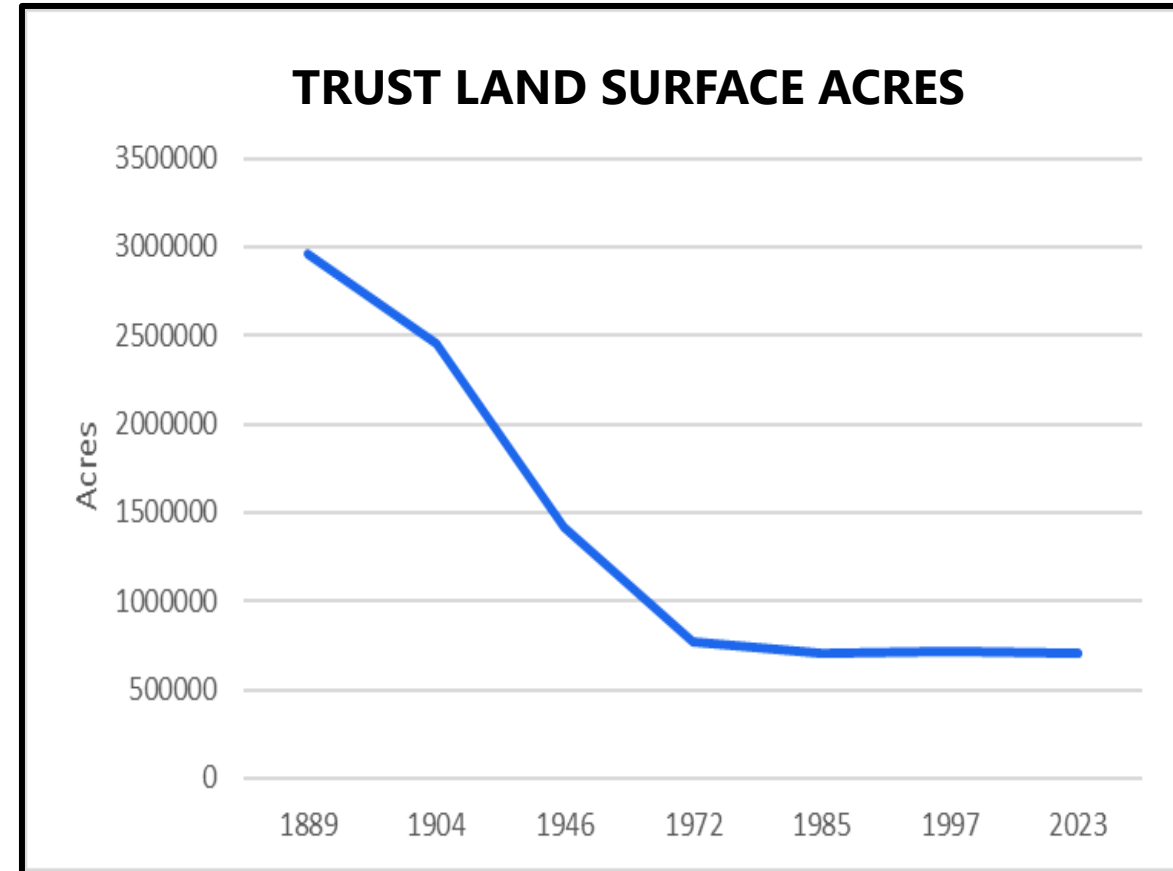
1889-1960's – A significant amount of Trust Lands were sold to private individuals

1970's – Land sales starting seeing significant opposition

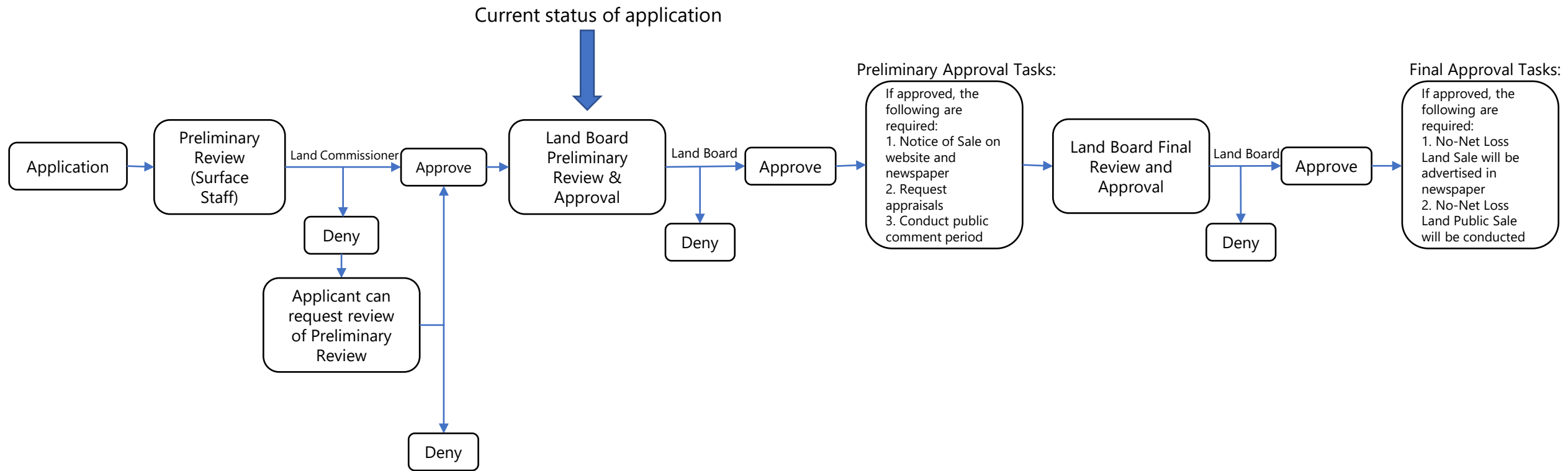
1981 – Limited Land Sale Policy established by Land Board

2021 – No-Net Loss Land Sale Policy established

2022 – First No-Net Loss Land Sale conducted



NO NET LOSS LAND SALE PROCESS



NO NET LOSS LAND SALE RULES

Requirements of sale from ND Admin. Code ch. 85-04-07 (Grant Land) and ch. 85-04-08 (Acquired Land)

- a. Equal or greater value.
- b. Equal or greater income to the trusts. A no net loss sale must result in the board receiving equal or greater income to the trusts. The projected income for the proposed no net loss sale land will be estimated using the board's minimum lease rate. The minimum lease rate for the proposed no net loss sale land will be compared to the present income received by the trusts from the trust lands, including all current and potential future revenue streams from surface leases, encumbrances, development of natural resources, and other sources, and any tax liability.
- c. Acreage. A no net loss sale should result in the board receiving equal or greater acreage. The board may, however, consider receiving less acreage in return for one or more of the following:
 - (1) Improved dedicated access;
 - (2) Substantially higher value; or
 - (3) Substantially higher income.
- d. Consolidation of trust lands. The proposed no net loss sale must not fragment trust land holdings by creating isolated parcels of trust land. In all no net loss sales, the board shall reserve all minerals underlying the trust lands pursuant to section 5 of article IX of the Constitution of North Dakota subject to applicable law.
- e. Potential for long-term appreciation. The proposed no net loss sale land must have similar revenue potential as the trust lands.
- f. Access. A no net loss sale must not diminish access to trust lands. The no net loss land should provide equal or improved access.

NO NET LOSS LAND SALE DETAILS

M. FAMILY, LLC APPLIED FOR A NO-NET LOSS LAND SALE:

THE NO NET LOSS LAND SALE WOULD CONSIST OF:

- THE STATE WOULD SELL 797.32 ACRES IN GRANT COUNTY:
(738.32 GRASS ACRES, 59 CROP ACRES)

GRANT COUNTY

TOWNSHIP 136 NORTH, RANGE 86 WEST
SECTION 36: NE4 & NW4
TOWNSHIP 135 NORTH, RANGE 86 WEST
SECTION 6: S2N2, SE4, SW4
(TRUST LAND TRACTS)

- THE STATE WOULD RECEIVE 380 ACRES CROPLAND IN HETTINGER COUNTY:

HETTINGER COUNTY

TOWNSHIP 136 NORTH, RANGE 94 WEST
SECTION 20: N2NE4, NW4, SW4 LESS FARMYARD
(PROPOSED PAYMENT TRACTS)



- ★ Trust Land Tracts
- ★ Proposed Payment Tracts

NO NET LOSS LAND SALE LOCATION



NO NET LOSS LAND SALE REQUIREMENTS

Requirements of sale from ND Admin. Code ch. 85-04-07 (Grant Land) and ch. 85-04-08 (Acquired Land)

a. Equal or greater value.

The land sale has the potential of providing higher value land; however, appraisals will need to be performed to verify.

b. Equal or greater income to the trusts.

The land sale has the potential of generating more revenue; however, this is contingent on competition at leasing auctions.

c. Acreage.

The land sale would result in a reduction of 417.32 acres. The reduction in acres would require the sale to result in substantially more in land value, income, or better access.

d. Consolidation of trust lands.

The land sale would have a moderately positive benefit to consolidate Trust Lands.

e. Potential for long-term appreciation.

The land sale is projected to generate more revenue based on an agricultural income analysis.

f. Access. A no net loss sale must not diminish access to trust lands. The no net loss land should provide equal or improved access.

The land sale would result in better access but not a significant change.

NO NET LOSS LAND SALE PROGRESSION RECOMMENDATION

Recommendation: The Board authorizes the Commissioner to continue with the sales procedure which consists of:

- Acquiring land appraisals
- Posting a notice of the application for sale in the official newspaper of the county where the nominated tract is located, in the Bismarck Tribune, and any pertinent nearby newspapers
- Conducting the public comment period

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

RE: Litigation Update
(No Action Requested)

- MHA (Missouri riverbed ownership) – Appealed D.C. Federal District Court denial of Board’s motion to intervene; oral arguments were held February 1st; D.C. Circuit Court of Appeals issued judgment in Board’s favor April 21st reversing trial court and allowing Board to intervene; parties are now in discussion regarding next steps in this litigation with next status report due to the Court by July 10th
- EEE (OHWM title dispute / takings claim) – ND Federal District Court issued order May 31, 2022 granting Board’s motion to dismiss on all counts: federal preemption, sovereign immunity, takings; Plaintiffs appealed to 8th Circuit; briefing complete and oral arguments were held March 16th; awaiting court decision
- Leland/Whiting (OHWM river island ownership) – Watford City trial September 12-16, 2022; currently in post-trial briefing stage
- Continental Interpleader (OHWM fed/state dispute) – ND Federal District Court issued opinion March 21st 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”
- Whitetail Wave (OHWM title dispute / takings claim) – ND Supreme Court issued opinion on September 29th dismissing appeal and sending back to trial court for further quiet title actions on at issue parcels; district court signed stipulated order and judgment on remaining claims February 1st; currently waiting for appeal status pending resolution of attorney fees issues between the other parties

Procedures for Executive Session regarding Attorney Consultation and Consideration of Closed Records

Overview

- 1) The governing body must first meet in open session.
- 2) During the meeting's open session the governing body must announce the topics to be discussed in executive session and the legal authority to hold it.
- 3) If the executive session's purpose is attorney consultation, the governing body must pass a motion to hold an executive session. If executive session's purpose is to review confidential records a motion is not needed, though one could be entertained and acted on. The difference is that attorney consultation is not necessarily confidential but rather has "exempt" status, giving the governing body the option to consult with its attorney either in open session or in executive session. Confidential records, on the other hand, cannot be opened to the public and so the governing body is obligated to review them in executive session.
- 4) The executive session must be recorded (electronically, audio, or video) and the recording maintained for 6 months.
- 5) Only topics announced in open session may be discussed in executive session.
- 6) When the governing body returns to open session, it is not obligated to discuss or even summarize what occurred in executive session. But if "final action" is to be taken, the motion on the decision must be made and voted on in open session. If, however, the motion would reveal "too much," then the motion can be abbreviated. A motion can be made and voted on in executive session so long as it is repeated and voted on in open session. "Final actions" DO NOT include guidance given by the governing body to its attorney or other negotiator regarding strategy, litigation, negotiation, etc. (See NDCC §44-04-19.2(2)(e) for further details.)

Recommended Motion to be made in open 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 to review confidential records and discuss negotiating strategy regarding:

- **Royalty Settlement Offers**

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

Statement:

“This executive session will be recorded and all Board members are reminded that the discussion during executive session must be limited to the announced purpose for entering into executive session, which is anticipated to last approximately one hour.

The Board is meeting in executive session to review confidential records and discuss negotiating strategy regarding the identified claim. Any formal action by the Board will occur after it reconvenes in open session.

Board members, their staff, employees of the Department of Trust Lands and counsel with the Attorney General staff will remain, but the public is asked to leave the room.

The executive session will begin at: _____AM, and will commence with a new audio recording device. When the executive session ends the Board will reconvene in open session.”

Statements upon return to open session:

State the time at which the executive session adjourned and that the public has been invited to return to the meeting room.

State that the Board is back in open session.

State that during its executive session, the Board reviewed confidential records and discussed negotiating strategy regarding the identified issues.

State that no final action will be taken at this time as a result of the executive session discussion

-or- .

Ask for a formal motion and a vote on it.

Move to the next agenda item.