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### Land Grant Endowment Funds

The University of Alaska and the University of Alaska Board of Regents have been held in trust for the university. The net proceeds from the sale, have been deposited in the University of Alaska Endowment Trust under Alaska Statute 14.40.400 gives the Board of Regents the authority to invest on principles which are intended to preserve and maintain the endowment investment fund.

Changes in Net Position reflect the financial position of the Land Grant Endowment Fund, 2017 and the changes in net position for the year then ended.

and Inflation Proofing Fund, which have fair values at June 30, 2017

Net fund earnings is reported by the Board of Regents provides that a portion of the net fund earnings is allocated to the Natural Resources Fund for the purpose of funding programs in support of UA Scholars, natural resource management, marketing and education, and other university programs.

The Schedule of Allocated Natural Resources Fund Balances represents a summary of awards, transfers and expenditures for Natural Resources Fund projects.

Land Grant Endowment Funds  
Notes to the Financial Schedules  
June 30, 2017

By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land were transferred to the territory of Alaska to be held in trust for the university. The grant lands were subsequently transferred to the state of Alaska and eventually to the Board of Regents to be held in trust for the university. Currently, approximately 81,367 acres of these lands are held at no basis because fair value at the date of transfer was not determinable. In 1982 and 1988,

### Natural Resources Fund

The Natural Resources Fund represents spendable funds designated by regents' policy to provide support for UA Scholars, agriculture, forestry, fisheries, mineral, and other university programs. All unexpended funds are invested in pooled investment funds.

### Land Management Operations Fund

The Land Management Operations Fund represents spendable funds designated by regents' policy to provide support for land management operations. All unexpended funds are invested in pooled investment funds.

**Schedule of Net Position**

|                                       | Land Grant<br>Trust Fund | Inflation<br>Proofing<br>Fund | Revenue<br>Fund | Natural<br>Resources<br>Fund | Land Management<br>Operations |
|---------------------------------------|--------------------------|-------------------------------|-----------------|------------------------------|-------------------------------|
| Cash (due (to) from University)       | \$ (5,742,792)           | \$ 1,875,512                  | \$              | \$ 13,285,995                | \$ 1,458,712                  |
| Receivables                           | 1,622,473                | 3,955                         |                 |                              |                               |
| Investments                           | 121,769,043              | 19,562,930                    |                 |                              |                               |
| Real property & subdivision inventory | 31,718,364               | 30,563,524                    |                 |                              |                               |
| Total Assets:                         | 149,367,088              | 52,005,921                    |                 | 13,285,995                   | 1,458,712                     |
| Liabilities:                          |                          |                               |                 |                              |                               |
| Security deposits and other payables  | 647,860                  | 106,608                       |                 |                              |                               |
| Long term debt                        |                          | 894,794                       |                 |                              |                               |
| Total Liabilities                     | 647,860                  | 1,001,402                     |                 |                              |                               |
| Net position                          | \$ 148,719,228           | \$ 51,004,519                 | \$              | \$ 13,285,995                | \$ 1,458,712                  |

**Schedule of Changes in Net Position  
For the Year Ended June 30, 2017**

Revenue and other additions:

|  |            |           |           |
|--|------------|-----------|-----------|
| Sale, lease, or transfer of real property,<br>materials, and mineral interests | 2,230,119  | 2,743,937 | (466,817) |
| Cost basis of property sold  | (41,078)   |           |           |
| Net sales  | 2,189,041  | 2,743,937 | (466,817) |
| Net realized and unrealized gain (loss)<br>from investments                    | 15,163,410 | 2,420,358 | (14,047)  |

Land Grant Endowment Funds  
 Schedule of Allocated Natural Resources Fund Balances  
 For the Year Ended June 30, 2017

|  | Available<br>June 30, 2016 | FY18 Spending<br>Allowance | Expenditures &<br>Transfers | Available<br>June 30, 2017 |
|--|----------------------------|----------------------------|-----------------------------|----------------------------|
| <b>NATURAL RESOURCES PROJECTS</b>        |                            |                            |                             |                            |
| UAF/Factors Influence Spruce Bark Beetle | 1,128                      |                            | 18                          |                            |
| UAF/University of Alaska Press           | 100,000                    | 100,000                    | 100,000                     | 100,000                    |
| UAF/Piano e Competition                  | 30,000                     |                            |                             | 30,000                     |
| UAF/Museum Dinosaur Exhibit              | 1,074                      |                            | 1,074                       |                            |
| UAF/Financial Literacy                   |                            |                            |                             |                            |
| UAF/Researching Rhodiola Harvesting      | 3,200                      |                            | 3,200                       |                            |
| UAF/Investment in Youth Leadership       | 14                         |                            |                             | 14                         |
| UAF/Cooperative Extension Support        | 388,308                    | 400,000                    | 397,975                     | 39,444                     |

|  |                     |                     |           |                      |           |     |            |
|--|---------------------|---------------------|-----------|----------------------|-----------|-----|------------|
|  |                     |                     | 170,000   |                      | 128,393   |     | 289,147    |
|  | 9,808,009           |                     | 5,217,400 |                      | 4,517,124 |     | 10,508,285 |
| <b>Undistributed</b>                           |                     |                     |           |                      |           |     |            |
| FY04 Transfer suppressed avail for UA Scholars | 10,                 | 10,                 | 10A       | 10,                  | 10,       | 10, | 10,        |
| 217,974  |                     |                     |           |                      |           |     | 217,974    |
| 44,837   |                     |                     |           |                      |           |     | 44,837     |
| 17,854   |                     |                     |           |                      |           |     | 17,854     |
| 239,531  |                     |                     |           |                      |           |     | 239,531    |
| 475,637  |                     |                     |           |                      |           |     | 475,637    |
| (5)  |                     |                     |           |                      |           |     | (5)        |
| 2,777,710                                      |                     |                     |           |                      |           |     | 2,777,710  |
| <b>12,585,719</b>                              | <b>\$ 5,217,400</b> | <b>\$ 4,517,124</b> |           | <b>\$ 13,285,995</b> |           |     |            |
| <b>1,622,692</b>                               | <b>\$ 820,000</b>   | <b>\$ 983,980</b>   |           | <b>\$ 1,458,712</b>  |           |     |            |
| <b>14,208,411</b>                              | <b>\$ 6,037,400</b> | <b>\$ 5,501,104</b> |           | <b>\$ 14,744,708</b> |           |     |            |
| 344,776  | 2,254,466           | 2,161,455           |           | 437,787              |           |     |            |
| 230,398  | 1,466,199           | 1,405,500           |           | 291,097              |           |     |            |
| 34,807   | 164,335             | 157,500             |           | 41,642               |           |     |            |
| 8,092,129                                      | 50,000              | 122,144             |           | 8,019,985            |           |     |            |
| 8,702,110                                      | 3,935,000           | 3,846,599           |           | 8,790,511            |           |     |            |