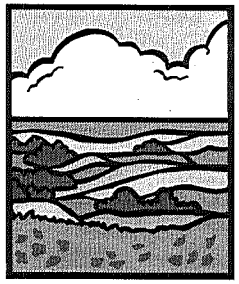
The Organization

The Children's Land Alliance is a non-profit corporation created to provide information and services to education communities in 24 states that still have school trust land rights. Prior to CLASS, there has been no organization of the beneficiaries of these trusts, though 134 million acres of land were granted for the support of education when each state entered the union and 45 million acres are currently managed for schools.

Benefits of collaborative efforts by education leaders include:

- *Improved education through increased funding from school trusts.*
- *Support by education communities for congressional actions that benefit school trust lands and schools.*
- *Increased revenue from permanent school trust funds through investment strategies.*
- *Information to support prudent and profitable land management.*
- *Assistance in the development of public information about school trust lands and their purpose for the children.*



School Trust Lands

School trust land policy began before the federal Constitution was adopted. These are the famous "section 16s" in each township first promised to states in the General Land Ordinance of 1785. Congress granted school trust lands to the states at the time each new state joined the Union. The states made clear and specific promises in return for the granted lands, cementing each statehood bargain. The land grants were originally made to support common schools, universities, schools for the deaf and blind and other state institutions.

Revenue for Schools

Leasing or selling the land surface or minerals is how the land generates revenue. Payments are received through sales, leases, royalties and bonus payments. Land use varies state by state from grazing, agriculture and timber to mining, commercial and rights-of-way. Each state with school trust lands also manages a permanent fund as part of the trust portfolio to be held in perpetuity for schools.

Annual Conference

An annual summer conference is held in conjunction with the Western States Land Commissioners Association (Land Managers and staff from states that were granted school trust lands). It provides the opportunity for education leaders to learn about the activities in other states, learn from the experts on the issues surrounding the management of school trust lands and associated permanent funds and network with beneficiaries and trustees across the west.

Communication And Research

The organization serves as a "clearing house" for issues, challenges, opportunities and successes. Research is conducted for individual states regarding state-specific activities as well as comparison research between states. CLASS provides a website and a semi-annual newsletter to share activities and research. Support information for states informing and organizing beneficiary groups is also provided.

Purpose

To create advocates for educational opportunities for children from school trust lands by:

- *Cultivating a network of western education communities.*
- *Sharing creative solutions to the management, investment, and use of the trust corpus.*
- *Empowering beneficiaries to effectively support prudent management of school trusts.*

CLASS

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Children's Land Alliance Supporting Schools

Biographies of Margaret Bird and Kevin Carter

Margaret Bird (Director of Utah's Children's Land Alliance Supporting Schools; CLASS)

Margaret Bird has worked for 36 years to reform the management of the school trust lands in Utah, to amend the statutes to allow more prudent investment of the permanent school fund, and to put the revenue to productive use in schools through the School LAND Trust program. Revenue from the new land management has increased from $19 million to $143 million annually. The School Fund has risen from $18 million to over a billion in 2010. All net revenue is deposited in the permanent School Fund. All dividends and interest are distributed to each public school where parents, teachers and the principal decide their school's most pressing academic need and implement an academic program with $24.3 million in FY2010.

Margaret was raised in Atlanta, Georgia, received a BA degree from Vanderbilt University in theoretical mathematics, worked on a master's degree in Urban Planning, earned her MS in economics from the University of Utah, and got side tracked on school lands after completing her course work for her PhD. She is currently employed by the Utah State Office of Education, works as a consultant for the University of Utah and Utah State University on their trust lands, and is a director of the Children's Land Alliance Supporting Schools. CLASS is a non-profit alliance of education leaders in 22 states who come together annually to share information and be trained as effective advocates for the productive use of the 45 million acres of school trust lands granted by Congress to support schools.

Margaret has been recognized for her work on school trust lands by the Utah Bar Association, the Utah Education Association, Utah Taxpayers' Association, the Utah Association of Secondary School Principals, the Utah PTA, the Utah School Boards Association, Best of State for Community Advocacy, and the Utah Association of Elementary School Principals. Her persistence and advocacy on school trust lands has earned her the nickname, "Junk Yard Dog."

Kevin Carter (Director, Utah School and Institutional Trust Lands Administration)

Kevin S. Carter is the Director of the State of Utah School and Institutional Trust Lands Administration and leads all activities of the agency. Originally appointed to fill the unexpired term of his predecessor in 2003, he has subsequently served an additional four-year term and was appointed in July 2009 to a second four-year term. As Director, Carter also serves on the State of Utah Constitutional Defense Council, the Board of the Utah Geological Survey, the Natural Resources Coordinating Council, the Utah Generated Renewable Energy Electricity Network Authority Board, and recently assumed the Chairmanship of the Utah Partners for Conservation and Development (a consortium of institutional, state and federal resource management entities). In addition to his governmental duties, Carter is a member of the Urban Lands Institute where he serves on the Affordable Workforce Housing Council and is also a member of the International Council of Shopping Centers.

Mr. Carter has more than 25 years' experience in the management of trust lands. He pioneered the shift in Utah trust lands operations from traditional resource management activities to high-return land-use enterprises on trust lands. The Trust Lands Administration is an independent state agency which manages 3.4 million acres of trust land for the financial benefit of Utah's public schools and 11 other beneficiary institutions. Revenues for recent years have exceeded $150,000,000/year.

Carter is Past-president of the Western States Land Commissioners Association and is also on its Executive Committee. He has been active in WSLCA for more than 20 years.

Kevin holds a Bachelor of Science Degree in range ecology and a Masters Degree in range science, both from Utah State University.

EXECUTIVE SUMMARY
OF UTAH'S TRUST LAND STORY

Margaret Bird
March 11, 2010

History of school trust lands in a nutshell:
The concept of granting lands for the support of education is intricately embedded throughout the history of America. In 1785[1], prior to passage of the U.S. Constitution, the Continental Congress reserved one square mile out of every thirty-six square mile township "for the maintenance of public schools."[2] Beginning in 1850, two square miles were granted to schools (includes Minnesota), then in 1894 with Utah, Arizona and New Mexico four square miles per township. The lands were granted in trust. In each state constitution, states accepted the responsibilities of trustee, requiring the state to act with undivided loyalty in the best interest of the schools and other institutions. Proceeds from the lands were to be placed in permanent funds, the interest of which only was to support the schools. These lands were not a gift because each state was required to give up the right to tax federal lands in exchange for being granted the school lands. Today most legislative and education leaders are left speechless when informed that schools are the beneficiaries of trusts containing 45 million acres (almost the size of Minnesota) and $48 billion held in permanent funds for the support of public schools.

Fundamental Questions Raised by the Education Community in Utah:
Beginning in the early 1980's, Utah's education community researched the management of the school trust lands and the investment of the permanent funds. They found misused and neglected lands and raided and poorly invested funds. School children were subsidizing State Parks, wildlife, forestry, and mineral companies. By the 1990's education leaders in Utah began to ask:

1. How can we maximize the impact of this trust for students for the next 100 years?
2. How can we structure the land management to optimize revenue to our schools?
3. How can we generate greater returns from our permanent school fund?
4. How can we build public support for the productive use of school trust lands?

A Utah legislative Task Force studied the issues for two years. Under the leadership of Representative Mel Brown, the legislature removed the agency from the Department of Natural Resources and modeled the management after that of corporations. They expanded the State Treasurer's ability to develop a long-term investment strategy, including investing in equities as a prudent investor would. They directed all interest and dividends to each public school to be spent on academic programs developed and implemented by an elected school community council of teachers, parents, and the principal. Local school boards were the gatekeepers with the authority to approve the plans. Now 7,000 people implement incredible academic programs annually including remediation, accelerated programs, science and computer labs, and other academic plans tailored to their school. They are knowledgeable and concerned about the contributions of school trust lands to the education of the children. Councils annually view a DVD about how trust lands make money for schools which has built support for those industries that generate the funds.

BEFORE AND AFTER COMPARISON:

BEFORE the reform:
$83 million in school fund
$19 million gross FY1994 from lands
Few had heard of school trust lands

AFTER the reform:
Over $1 billion in school permanent fund[3]
$143 million gross in FY2009
75% know school trust lands help schools

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[1] May 20, 1785
[2] Laws of United States of America, 1789-1815, Vol. I, Chapter 32, pages 563-569.
[3] As of December 31, 2009

PURPOSE
of
School and Institutional Trust Lands Administration

The School and Institutional Trust Lands Administration--an independent agency of state government--is established to manage lands that Congress granted to the state of Utah for the support of common schools and other beneficiary institutions, under the Utah Enabling Act.

The state of Utah expressly accepted this grant in the Utah Constitution, thereby creating a compact between the federal and state governments which imposes upon the state a perpetual trust obligation to which standard trust principles are applied.

Title to these trust lands is vested in the state as trustee to be administered for the financial support of the trust beneficiaries.

The trust principles impose fiduciary duties upon the state, including **a duty of undivided loyalty** to, and a strict requirement to administer the trust corpus for the exclusive benefit of, the trust beneficiaries.

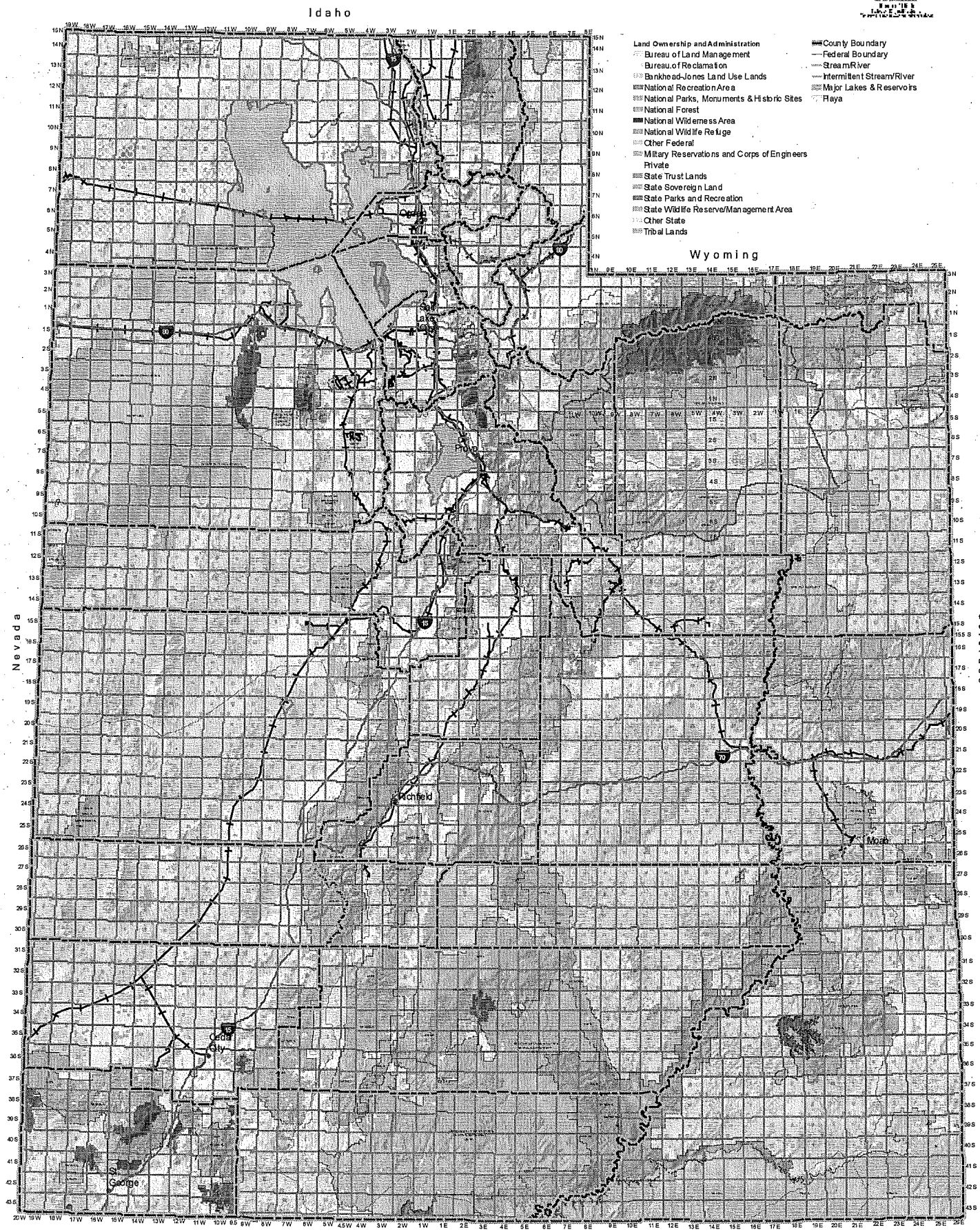
As trustee, the School and Institutional Trust Lands Administration must manage the lands and revenues generated from the lands in the most prudent and profitable manner possible, and not for any purpose inconsistent with the best interest of the trust beneficiaries.

The trustee must be concerned with both income for the current beneficiaries and the preservation of the trust corpus for future beneficiaries, which requires a balancing of short and long-term interests so that long-term benefits are not lost in an effort to maximize short-term gains.

The beneficiaries do not include other governmental institutions or agencies, the public at large, or the general welfare of the state.

Paraphrased From: TITLE 53C--
SCHOOL AND INSTITUTIONAL TRUST LANDS MANAGEMENT ACT

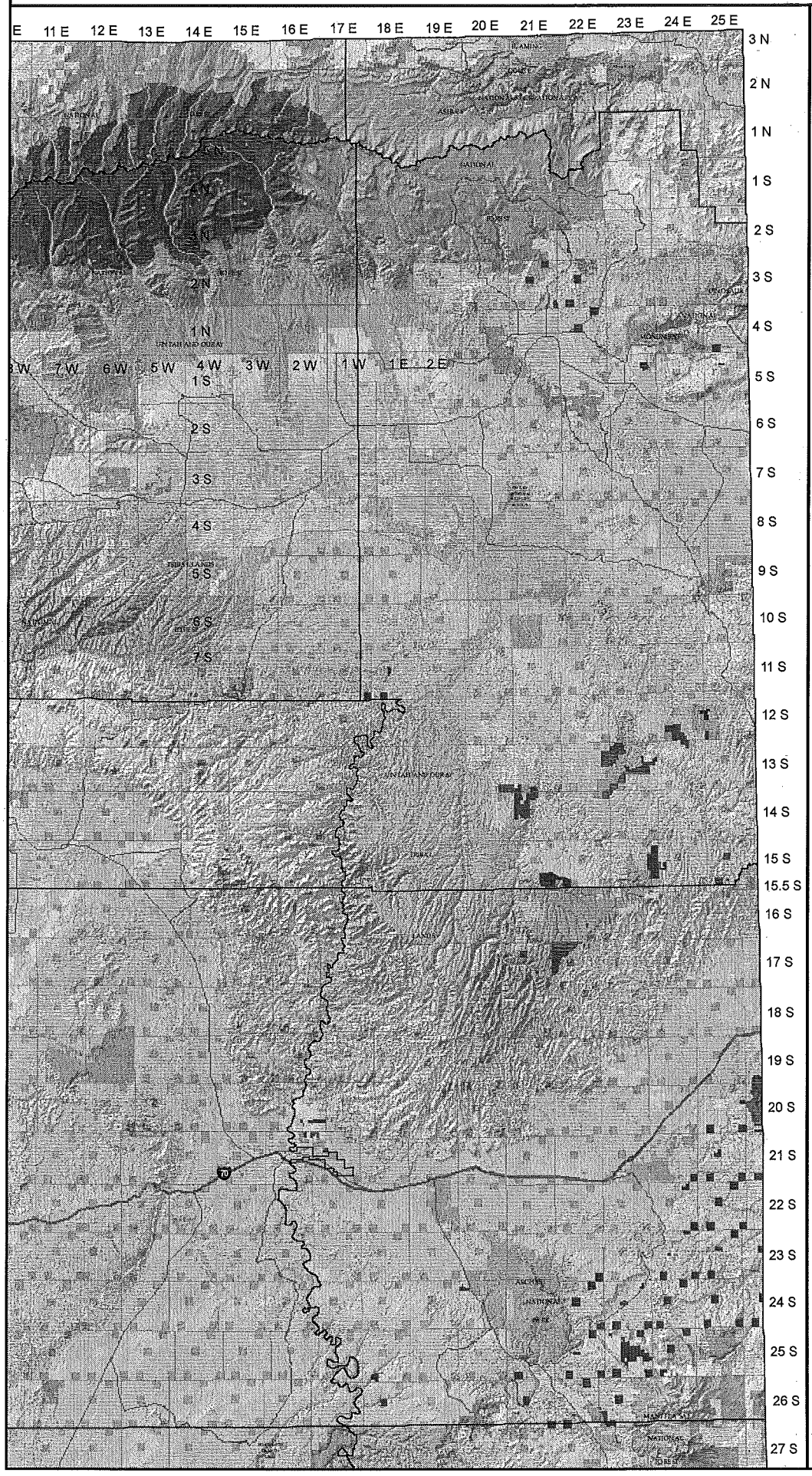
UTAH SURFACE LAND OWNERSHIP



For Reference Use Only
Produced: March 10, 2010 SITLA
File: Surface_st&x11_shd.mxd
Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102

Data representation this map is for REFERENCE USE ONLY and is NOT to be used in place of a legal land survey. The Utah School and Institutional Trust Lands Administration (SITLA) (TLA), Department, assumes no responsibility for some or all claims in their mapping. Land owned, lease boundaries and associated TLA data layers may have been adjusted to align with other digital features (for PLSS lines, digital imagery, roads) or other acceptable criteria to allow for ease of use. While SITLA makes every effort to verify data for accuracy and correct, discrepancies may exist within the data. SITLA hereby disclaims any and all liability due to inaccurate or misuse of this map and the data representation this map. The user assumes total responsibility for verification and use. Lakes, rivers, streams, highways, roads, county and state boundaries were USGS DLG 1:100,000 source files and embur lines (Flaxen) were generated from USGS DEM files. Roads and TLA, collected and maintained by the Utah Automated Geographic Reference Center. The server and information was fully digitized by Utah State University from BLM 1:100,000 paper maps and has been edited by Utah Trust Lands Administration (TLA) to reflect current state ownership. TLA surface and mineral ownership is frequently being updated and verified by TLA. Official and detailed information is available from appropriate agencies.

UTAH RECREATION LAND EXCHANGE (H. R. 1275)
OFFERED & SELECTED LANDS MAY 14, 2009



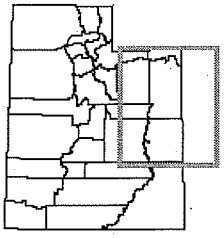
Legend

Exchange Lands

- BLM Lands Conveyed to State Trust Lands
- BLM Surface Conveyed to State Trust Lands
- BLM Minerals Conveyed to State Trust Lands
- State Trust Lands Conveyed to BLM
- State Trust Lands Minerals Conveyed to BLM

Land Ownership and Administration

- Bureau of Land Management
- Bureau of Reclamation
- Bankhead-Jones Land Use Lands
- National Recreation Area
- National Parks, Monuments & Historic Sites
- National Forest
- National Wilderness Area
- National Wildlife Refuge
- Other Federal
- Military Reservations and Corps of Engineers
- Private
- State Trust Lands
- State Sovereign Land
- State Parks and Recreation
- State Wildlife Reserve/Management Area
- Other State
- Tribal Lands



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State of Utah
School & Institutional
Trust Lands Administration

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Printed: December 15, 2009