

Land-Grant Endowment Funds

The University of Alaska Land Grant Endowment has its origin in the federal land grant acts of 1915 and 1929 and subsequently the Alaska Statehood Act. Approximately 110,000 acres of land were transferred to the territory of Alaska and eventually to the Board of Regents to be held in trust for the university. The net proceeds from the sale, lease, exchange and other uses of these lands have been deposited in the University of Alaska Endowment Trust Fund as provided by Alaska Statute 14.40.400. Alaska Statute 14.40.400 gives the Board of Regents the authority to manage the endowment under the total return principles which are intended to preserve and maintain the purchasing power of the endowment fund, a unitized investment fund.

The accompanying schedules of Net Assets and Changes in Net Assets reflect the financial position of the Land-Grant Endowment and related funds as of June 30, 2007 and the changes in net assets for the year then ended. The investments of the Land-Grant Endowment policy approved by the Board of Regents.

of the endowment fund earnings is governed by regents' policy, which provides that a portion of the utilized to manage the university's lands, a portion be set aside in order to maintain the purchasing power ment, and a portion be transferred to the Natural Resources Fund for the purpose of funding programs UA Scholars, natural resource management, marketing and education, and other university programs.

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

Land-Grant Endowment Funds
Schedule of Net Assets
June 30, 2007

	Land-Grant Trust <u>Fund</u>	Inflation- Proofing <u>Fund</u>	Revenue <u>Fund</u>	Natural Resources <u>Fund</u>
Assets:				
Cash (due (to) from University)	\$ 765,798	\$ 2,655,521	\$ --	\$9,873,024
Receivables	5,318,078	1,325,328	--	--
Investments	129,768,614	16,260,076	--	--
Real property held for investment	--	13,947,015	--	--
Real property	33,718,256	--	--	--
Other	<u>4,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	169,574,746	34,187,940	--	9,873,024
Liabilities:				
Security deposits and other payables	3,889,826	83,659	--	--
Long-term debt	<u>--</u>	<u>6,746,528</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>3,889,826</u>	<u>6,830,187</u>	<u>--</u>	<u>--</u>
Net assets	<u>\$165,684,920</u>	<u>\$27,357,753</u>	<u>\$ --</u>	<u>\$9,873,024</u>

Schedule of Changes in Net Assets
For the Year Ended June 30, 2007

Revenue and other additions:				
Sale, lease, or transfer of real property, materials and mineral interests	\$ 2,284,761	\$ 6,138,328	\$ --	\$ --
Cost basis of property sold	<u>(296,422)</u>	<u>(134,000)</u>	<u>--</u>	<u>--</u>
Net sales	1,988,339	6,004,328	--	--
Net realized and unrealized gains from investments	17,307,646	2,464,027	--	--
Investment income	<u>--</u>	<u>--</u>	<u>4,204,710</u>	<u>--</u>
	<u>19,295,985</u>	<u>8,468,355</u>	<u>4,204,710</u>	<u>--</u>
Expenditures and other deductions:				
Development project costs	(1,307,950)	(1,471,910)	--	--
Natural Resources Fund projects	<u>--</u>	<u>--</u>	<u>--</u>	<u>(3,447,046)</u>
	<u>(1,307,950)</u>	<u>(1,471,910)</u>	<u>--</u>	<u>(3,447,046)</u>
Transfers:				
Provision for land management operations	--	--	(632,446)	--
Transfer for spending allowance	(850,456)	(110,944)	961,400	--
Natural Resource Fund allocation	<u>--</u>	<u>--</u>	<u>(4,533,664)</u>	<u>4,533,664</u>
	<u>(850,456)</u>	<u>(110,944)</u>	<u>(4,204,710)</u>	<u>4,533,664</u>
Net increase (decrease) in net assets	17,137,579	6,885,501	--	1,086,618
Net assets at beginning of year	<u>148,547,341</u>	<u>20,472,252</u>	<u>--</u>	<u>8,786,406</u>
Net assets at end of year	<u>\$165,684,920</u>	<u>\$27,357,753</u>	<u>\$ --</u>	<u>\$9,873,024</u>

See accompanying notes to these schedules.

Land-Grant Endowment Funds
Notes to the Financial Schedules
June 30, 2007

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 83,200 acres of these lands are held at no basis because fair value at the date of transfer was not determinable. In 1982 and 1988, the university was allowed to select certain state lands including timber and other rights as replacement for lands disposed of by the territory and the state. These replacement lands and property interests were recorded at their fair value as of the date of transfer.

Land-Grant Trust Fund

The Land-Grant Trust Fund as reported in these schedules represents the original land grant, the invested proceeds from the sale and/or dev

Revenue Fund

The Revenue Fund represents a depository fund for the distributable earnings of the Land-

Land Grant Endowment Funds
Schedule of Allocated Natural Resources Fund Balances
For the Year Ended June 30, 2007

Project	Available June 30, 2006	New Awards & Transfers	Expen- ditures	Available June 30, 2007
NATURAL RESOURCES PROJECTS				
Agriculture				
UAF/Forage Management	134	-	134	-
Animals				
UAF/Walrus Stock Analysis	3,400	-	-	3,400
UAS/Ring Seal Survey	7,509	-	6,468	1,041
Fisheries				
UAA/Marketing Internships	1,350	-	-	1,350
UAF/NOAA Facility	268,355	-	-	268,355
UAF/Prince of Wales Island Aquaculture	4,141	-	324	3,817
UAS/Aquatic Invertebrates Catalog	1,019	-	969	50
Forestry				
UAF/Factors sy	5,002	-	-	5,002
UAF/Oil Economics/High School	(188)	-	(188)	-
UAS/Identifying Mineralogy of Glacially Eroded Sediment	2,663	-	2,663	-
Resources Management, Marketing, Education, and Other				

