



C.L. "BUTCH" OTTER  
GOVERNOR

## NEWS RELEASE

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### **GOVERNOR NAMES WORKING GROUP TO STUDY STATE ENDOWMENT GOVERNANCE AND PROCESSES**

(BOISE) – Governor C.L. "Butch" Otter announced the appointment today of a six-member working group led by Secretary of State Ben Ysursa to study ways to strengthen investment decisions related to the State's land grant endowment trust.

The working group is one part of a comprehensive review of the investment strategy for Idaho's land grant endowment assets, consisting of 2.4 million acres of land and \$1.6 billion in investment funds. The lands and funds provide financial support to Idaho's public schools and other State institutions.

The State Board of Land Commissioners (Land Board), which the Governor chairs and which includes Ysursa, authorized the comprehensive review at its December 2013 meeting in response to a report from R.M. "Bob" Maynard, a leading member of the original endowment reform effort of the late 1990s and early 2000s. Maynard's report offered a number of recommendations for improving oversight, including more independent review of the investment processes associated with endowment land and an increased emphasis on managing the land and fund components as one portfolio.

"Unlike many other states, Idaho wisely has retained most of its endowment trust lands since statehood, preserving an income stream for public schools into the future. This comprehensive review will make certain my fellow Land Board members and I perpetuate that wisdom," Governor Otter said. "The working group will reevaluate acquisition and divestiture strategies of the past decade or so and help develop a new governance structure that ensures we are presented with sound investment recommendations."

Joining Ysursa on the working group will be **State Controller Brandon Woolf** – also a Land Board member – Endowment Fund Investment Board (EFIB) member **Thomas Kealey**, Department of Lands Director **Tom Schultz**, EFIB Manager of Investments **Larry Johnson**, and a representative from the Attorney General's office.

Governor Otter asked the working group to complete its review and recommendations by the end of 2014. It will focus on the level at which the various investment decisions related to endowment land should be made and where the use of outside experts will be valuable in assisting the Land Board in choosing the most prudent option.

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