

Utah's School Trust Lands

A Forever Gift for Every Child

Davis School District Board Workshop • September 2026

Presented by Julie Lundell, Assessment Director



How many of you have a personal trust?

**As it turns out —Utah's Schoolchildren Are All
Trust Fund Babies**  

*Where does this trust come from, how does it work,
and how can we grow with it into the future.*

"The trust fund exists. The children are here."

THE FOUNDING VISION

MAY 20,
1785

Before the U.S. Constitution. Before George Washington was elected.

"There shall be reserved the lot No. 16, of every township, for the maintenance of public schools within the said township."

— Land Ordinance of 1785, Continental Congress



*"The education of every rank and class of people, down to the lowest and the poorest, had to be the care of the public...
no expense would be too extravagant."*

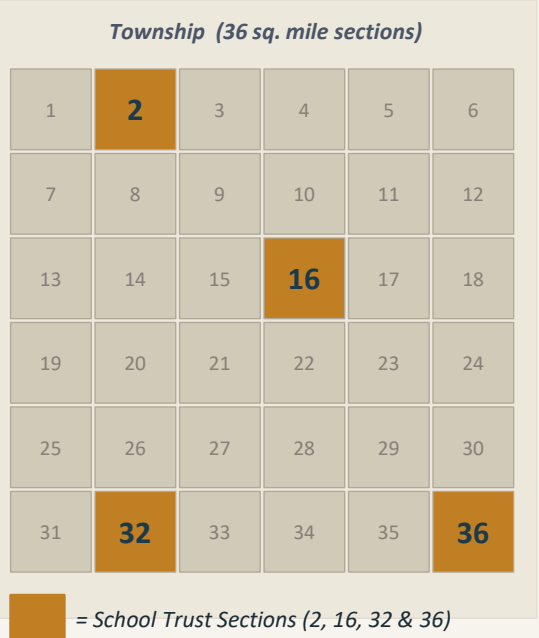
— John Adams

THE CORE IDEA

As each new state entered the union, land would be set aside — permanently — to educate its children.

Not a budget line. Not an annual appropriation. A trust.

Congress Gave Utah Extra — Because Our Land Needed It



6 Million

Acres Granted at Statehood (1894)

One-ninth of the entire state of Utah

4 Sections

Per Township (vs. 1 section for most states)

Sections 2, 16, 32 & 36 — a statewide checkerboard

1.5 Million

Acres for Other Institutions

Higher ed, Schools for Deaf & Blind, state hospitals

What Is a Trust, Exactly?

A trust is a legal relationship where one party manages property for the benefit of another.



GRANTOR

Provides the Assets

U.S. Congress- provided the land



TRUSTEE

Manages the Assets

State of Utah

- Three agencies share the mandate:
- SITLA manages the land (~3.4M acres)
 - SITFO invests the revenues
 - Advocacy Office protects beneficiaries



BENEFICIARY

Receives the Benefits

**Every Utah School Child
In perpetuity**

The children are the client. Every decision must serve them.

How the Trust Was Nearly Lost — and How Utah Fought Back

⚠ THE COLLAPSE

First 80 years

Mismanagement, unpaid loans, conflicts of interest under Dept. of Natural Resources

1970s

Growing concerns; audits conducted; education community starts to wake up

1982–1983

Fund collapses: \$53.5M → \$18.6M in 14 months — "a willful, directed seizure"

\$53.5M → \$18.6M

In 14 months. The constitution said it couldn't happen. It happened.

✓ THE RECOVERY

1989

Utah PTA passes resolution demanding accountability — builds a real political constituency

1994

SITLA created as an independent agency — separated from political interference

2014

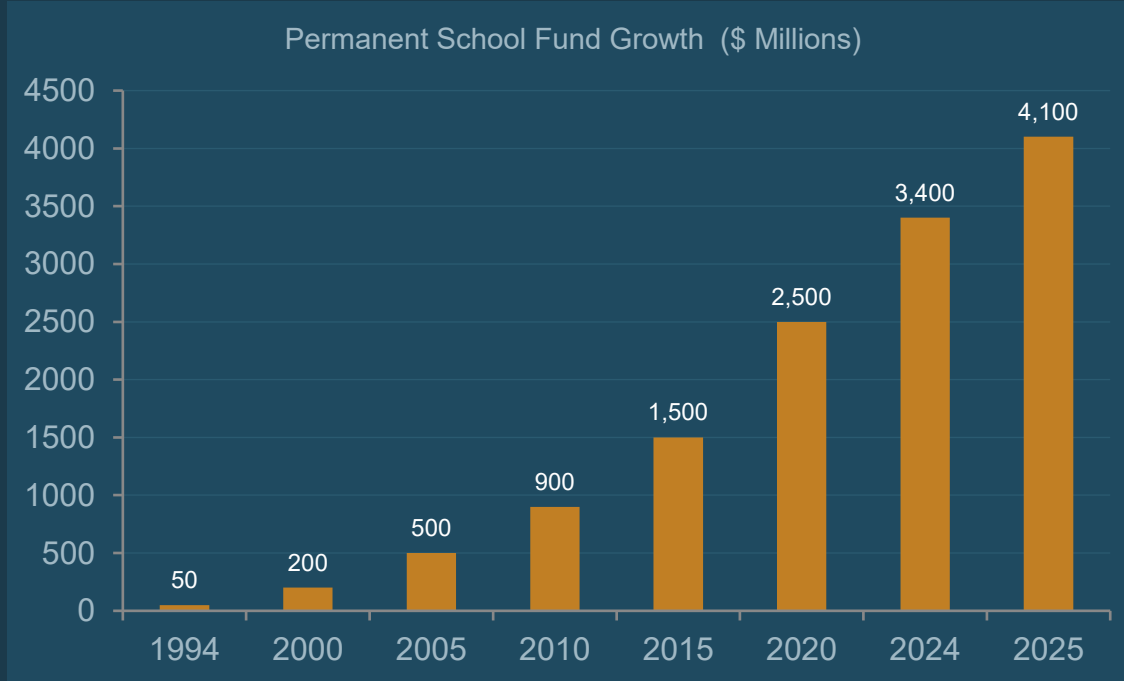
SITFO established as dedicated investment office — fund begins rapid growth

2018

Land Trusts Protection & Advocacy Office created — a voice for the children

***The trust didn't protect itself.
People did.***

What Good Stewardship Looks Like



\$4.1B

Combined Fund Value in FY2025

Up from \$50M in 1994 — over 80x growth

\$2.19B

Generated for beneficiaries since 1994

At ZERO cost to taxpayers

\$134M

2026–27 distribution to schools

Record — a 20% increase from prior year

96%

Of all trust revenue to public ed

Every public school in Utah gets a share

2024: Utah voters approved Amendment B — raising the annual distribution cap from 4% to 5% of fund value

The Trust Fund Children in Our Schools

~\$9.8 Million

Davis District Annual Distribution

Every kindergartner in Davis District this fall has a trust — set up 240 years ago — helping pay for the reading aide in their classroom, or the library books that they learn from.

The Guardrails — Why They Exist

✓ WHAT IS REQUIRED (R277-477)

- ✓ Direct academic impact on student instruction
- ✓ Data-driven & evidence-based strategies
- ✓ Measurable student improvement outcomes
- ✓ English, language arts, math & science focus
- ✓ Graduation rates & college/career readiness (HS)

X PROHIBITED USES

- X District or school administration / accreditation
- X Construction, maintenance, facilities, overhead
- X Furniture & security equipment
- X Non-academic co-curricular or extracurricular activities
- X Athletics

Remember 1982. These guardrails exist for very good reasons — and they have served us well. The board is the approving entity.

Loosening the Strings — Without Undoing the Trust

The tension: Current rules are narrowly academic — but children's academic success is influenced by far more than subject-area instruction alone.



Keep These Non-Negotiables

- Permanent fund integrity — principal untouchable
- Beneficiary focus — funds serve children only
- No diversion to buildings, admin, or extra curricular athletics



Keep These Oversight Structures

- School Community Councils as local decision-makers
- Board remains the approving entity
- Data-driven, goal-oriented planning required



Consider Expanding

- Holistic student support tied to academic outcomes
- Mental health & attendance as academic interventions
- Flexible, innovative instructional models

"We're not unlocking the trust fund for a spending spree — we're asking: does our definition of 'for the children' match what children actually need?"

A Call to Action

1 Advocate at the State Level

Work with USBE, the legislature, and the Land Trusts Protection & Advocacy Office to revisit allowable-use definitions. Our board's voice matters in this policy conversation.

2 Encourage Reasonable Flexibility

Our students' needs and educational experiences are broader than just core subject areas.

3 Protect the Trust

We are all the watchmen over this trust. It continues to be protected and preserved for the children when each generation insists on it.

4 Tell This Story

Very few Utahns know about school trust lands — not principals, not parents, not legislators. We can change that. Every time we tell this story, we build the constituency that protects the trust.

240 YEARS IN THE MAKING

The Gift That Keeps Giving



The Founders decided: every child in every new state deserves a funded start.

Utah rebuilt the trust when it was nearly lost — and turned \$50M into \$4.1 billion.

Our generation's responsibility is to be worthy stewards — protect it, grow it, and let it serve the children in every way intended.

*The trust fund exists. The children are here.
Let's make sure the money reaches them in the ways they need most.*