



State of Idaho Endowment Fund

**REPORT OF
INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

Administered by the Endowment Fund Investment Board



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Independent Auditor's Report

To the Endowment Fund Investment Board
State of Idaho Endowment Fund
Boise, Idaho

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the State of Idaho Endowment Fund administered by the Endowment Fund Investment Board (the EFIB), a permanent fund of the State of Idaho, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the State of Idaho Endowment Fund as of June 30, 2025 and 2024, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of the State of Idaho Endowment Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2, the financial statements present only the State of Idaho Endowment Fund, and do not purport to, and do not, present fairly the financial position of the State of Idaho, as of June 30, 2025 and 2024, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of Idaho Endowment Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the State of Idaho Endowment Fund's basic financial statements. The supplementary schedules of fund balance by endowment are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary schedules of fund balances by endowment are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedules of the gain benchmark but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 19, 2025, on our consideration of the State of Idaho Endowment Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Idaho Endowment Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Idaho Endowment Fund's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
August 19, 2025

The Management Discussion and Analysis highlights the financial performance of the State of Idaho Land Grant Endowment Fund ("Endowment Fund") for the fiscal years ended June 30, 2025, 2024 and 2023.

BACKGROUND

When Idaho became the 43rd state in 1890, the Congress of the United States endowed certain lands to be used to generate income for education and other important purposes. At statehood, 3.6 million acres of land were granted to the State of Idaho ("State") and 2.5 million acres remain. Proceeds from the sale of land and income generated by the land have accumulated in the Endowment Fund which provides financial support for its beneficiaries.

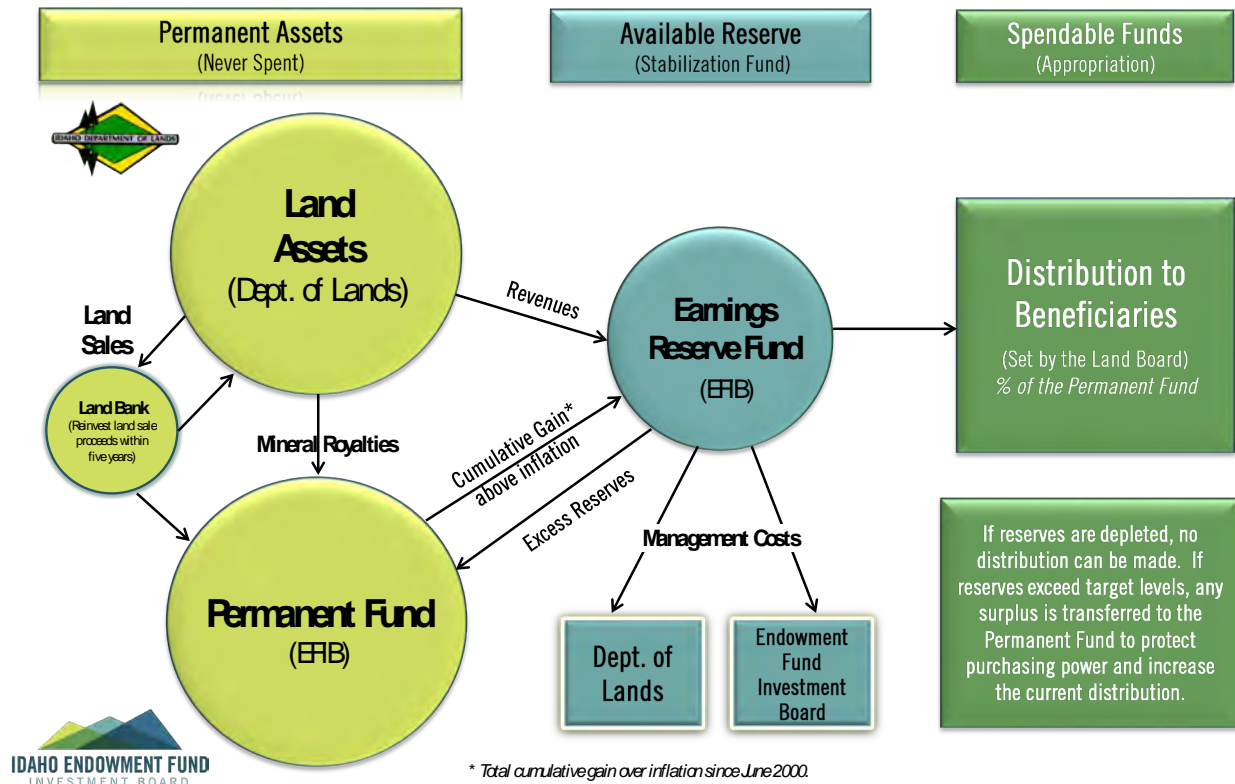
The Endowment Fund supports the following beneficiaries: Public Schools, University of Idaho Agricultural College, Charitable Institutions (Idaho State University, Juvenile Corrections Center, State Hospital North, Veterans' Home, School for the Deaf and Blind), Normal School (Idaho State University, Lewis-Clark State College), Penitentiary, University of Idaho School of Science, State Hospital South, University of Idaho and the Capitol Permanent Fund.

The Endowment Fund Investment Board ("EFIB") was created by the Idaho Legislature in 1969 and is charged with administration and investment management responsibilities for the Endowment Fund according to policies established by the Idaho State Board of Land Commissioners. In addition, EFIB provides investment management services for funds associated with other state agencies including SIF (formerly known as the State Insurance Fund), Idaho Department of Environmental Quality, Idaho Department of Fish and Game, Idaho State Parks & Recreation and the Idaho Department of Lands. Financial results related to non-Land Grant Endowment Funds are not included in these financial statements.

THE ENDOWMENT FUND STRUCTURE

The Endowment Fund is structured to include Permanent Funds and Earnings Reserve Funds for each beneficiary. Permanent Funds are to remain intact and grow at least at the rate of inflation. Under legislation passed by the Idaho Legislature in 1998, Earnings Reserve Funds were established to pay distributions to beneficiaries and cover expenses for the Idaho Department of Lands and EFIB. Most land revenue is considered an addition to the Earnings Reserve Funds, while distributions to beneficiaries and the payment of Idaho Department of Lands and EFIB expenses are considered depletions. Each June 30, the proportionate change in market value of the Endowment Fund portfolio is allocated to each endowment's Earnings Reserve Fund and gains up to the rate of inflation to each endowment's Permanent Fund. This allocation methodology is specified in Idaho Code Section 57-720 and reflected in the following table.

STRUCTURE OF IDAHO'S ENDOWMENT ASSETS

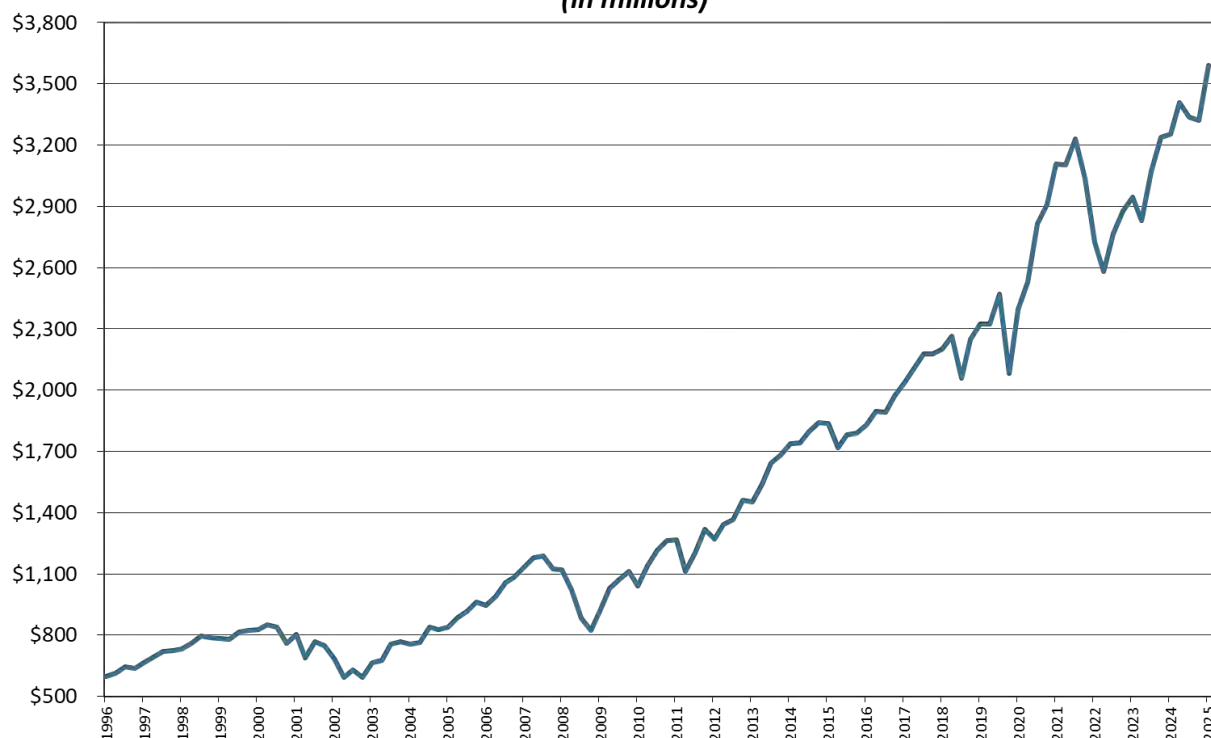


FINANCIAL HIGHLIGHTS:

CHANGES IN FUND BALANCES

Changes in the fund balance of the Endowment Fund are the result of investment gains or losses in the Endowment Fund portfolio, revenue generated from land assets, beneficiary distributions and Department of Lands and Investment Management expenses. The Endowment Fund balance changed by \$334.7 million, \$307.4 million and \$223.0 million during the fiscal years ended June 30, 2025, 2024 and 2023, respectively. Fund balances totaled \$3,588.7 million, \$3,254.0 million and \$2,946.6 million as of June 30, 2025, 2024 and 2023, respectively.

Total Land Grant Endowment Fund Assets
June 1996 - June 2025
(in millions)



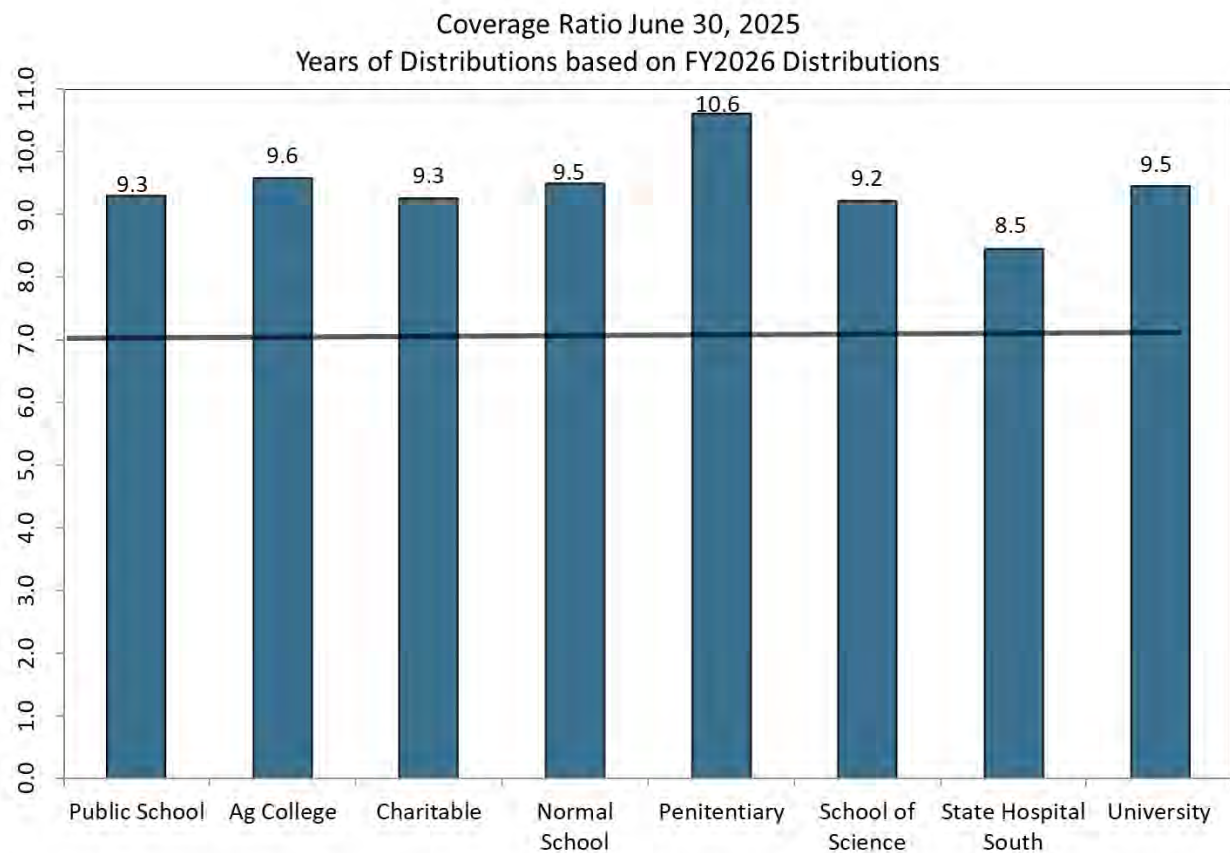
EARNINGS RESERVES

The Idaho State Board of Land Commissioners has established target earnings reserve levels for the Earnings Reserve Funds. The target earnings reserve levels equate to seven years of beneficiary distributions for Public Schools, Agricultural College, Charitable Institutions, Normal School, Penitentiary, School of Science, State Hospital South, and the University of Idaho. When earnings reserves exceed the target earnings reserve levels, excess amounts may be transferred from Earnings Reserve Funds into the corresponding Permanent Funds.

Total earnings reserve levels were \$1,045.9 million, \$921.8 million and \$719.9 million as of June 30, 2025, 2024 and 2023, respectively. As of June 30, 2025, the earnings reserve balances for all of the Endowment Funds were above target earnings reserve levels.

Earnings Reserves cont.:

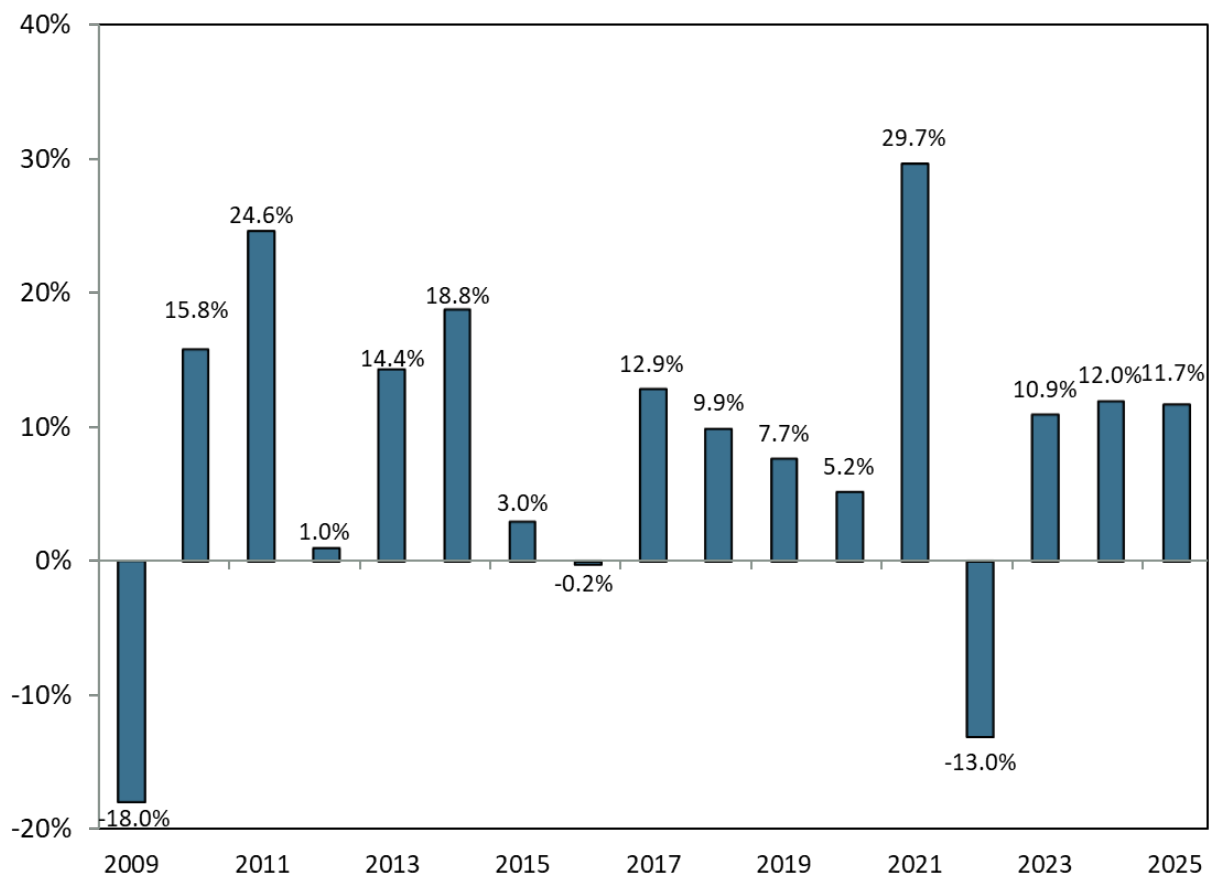
The table below highlights the earnings reserve levels expressed in years of distributions for each beneficiary.



INVESTMENT RESULTS

The Endowment Fund portfolio generated investment returns before fees of 11.7%, 12.0% and 10.9% in fiscal years end June 30, 2025, 2024 and 2023, respectively. The average annual investment returns were 11.7%, 11.5%, 9.4%, and 8.2% during the last one, three, five and ten-year periods. These investment returns ranked in the top 36th, 21st, 46th and 24th percentile in the Callan Public Fund Sponsor Database for the one, three, five and ten-year periods.

Annual Gross Fund Returns



Annualized Gross Fund Returns, Ending June 30, 2025

	FY 2025	3 Years	5 Years	7 Years	10 Years
Total Fund	11.7%	11.5%	9.4%	8.5%	8.2%
<i>Benchmark (38% Russell 3000, 19% ACWI ex-US, 9% ACWI, 10% ODCE, 24% BBC Aggregate)</i>	12.3%	11.6%	9.2%	8.3%	8.0%
Total Equity	15.2%	17.3%	14.1%	11.7%	11.0%
Domestic Equity	11.8%	17.3%	14.8%	12.4%	12.2%
Large Cap.	13.9%	19.4%	15.6%	13.1%	12.8%
Mid Cap.	9.8%	13.8%	14.2%	12.0%	11.5%
Small Cap.	2.4%	10.6%	10.6%	8.1%	9.5%
International Equity	24.4%	18.0%	13.2%	10.5%	9.0%
Global Equity	12.6%	16.4%	13.0%	11.5%	9.8%
<i>MSCI ACWI Index</i>	16.2%	17.3%	13.7%	10.8%	10.0%
Total Real Estate	2.1%	-4.5%	1.9%	3.1%	
<i>NCREIF ODCE Index</i>	2.0%	-4.3%	2.9%	3.8%	
Total Fixed Income	6.5%	3.0%	0.1%	2.1%	2.0%
<i>Fixed-Income Benchmark (BBC U.S. Aggregate)</i>	6.1%	2.5%	-0.7%	1.8%	1.8%

ASSET ALLOCATION

The target asset allocation for the Endowment Fund portfolio is 66% equity, 24% fixed income, and 10% real estate. The equity portion of the portfolio currently includes 37% U.S. equity, 17% international equity and 12% global equity. The fixed income portion of the portfolio includes 11% in the Bloomberg Barclay's Aggregate Index and 13% in an actively managed core plus strategies. The real estate portion of the portfolio is invested in private core real estate strategies.

INVESTMENT MANAGEMENT

The EFIB engages the services of an investment consultant who acts as an independent fiduciary and provides advice in areas such as investment policies and guidelines, asset allocation strategies, portfolio risk/return modeling and hiring and monitoring of investment managers. Callan has served as EFIB's investment consultant since 2007. They were reappointed in 2019 after a national consultant search.

The EFIB engages investment managers who are given full discretion to make investment decisions subject to policies and guidelines specific to the investment strategy they are managing. As of June 30, 2025, the EFIB engaged seventeen investment managers including Barrow Hanley, Boston Partners, CBRE Investment Management, Dodge & Cox, DoubleLine Capital, DWS, Northern Trust Investments, PineStone Asset Management, Schroders, State Street Global Advisors, Sycamore/Victory Capital, TimesSquare Capital Management, UBS Realty Investors, WCM Investment Management, Wellington, Westfield, and William Blair.

The EFIB engages Northern Trust Company for custodial services. Northern Trust Company is responsible for the safekeeping of assets, trade settlement, accounting, security valuation, investment performance reporting and proxy voting.

COST OF INVESTMENT MANAGMENT

The cost for investment management was \$11.8 million, \$11.1 million and \$11.4 million in fiscal years 2025, 2024 and 2023, respectively. Investment management expenses as a percentage of year-end Endowment Fund balances equates to 0.33%, 0.34% and 0.39% in fiscal years 2025, 2024 and 2023, respectively. The table below provides a breakdown of investment management expenses.

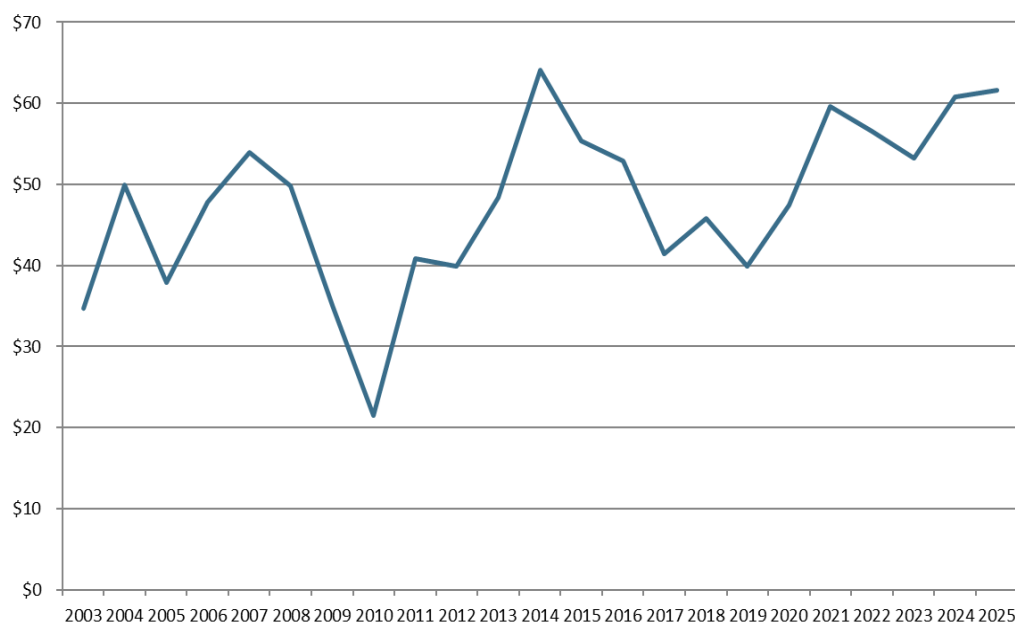
Cost of Investment Management

Investment Management Operating Costs	2025	2024	2023
Internal Investment Costs	\$ 652,376	\$ 645,655	\$ 605,128
Outside investment manager and legal fees	9,767,541	9,266,676	9,538,882
Custody Expense	734,125	1,012,950	977,025
Consultant and auditor fees	295,802	284,412	269,620
Total expenditures	11,449,844	11,209,693	11,390,656
Change in Manager Fee Accrual	317,751	(68,968)	32,183
Total Accrual Basis Expense	\$ 11,767,595	\$ 11,140,725	\$ 11,422,839

NET LAND REVENUE

Net land revenue (land revenue less Department of Lands expenses) totaled \$61.6 million, \$60.8 million and \$53.2 million in fiscal years 2025, 2024 and 2023, respectively.

Net Land Revenue for Earnings Reserves (in \$ millions)



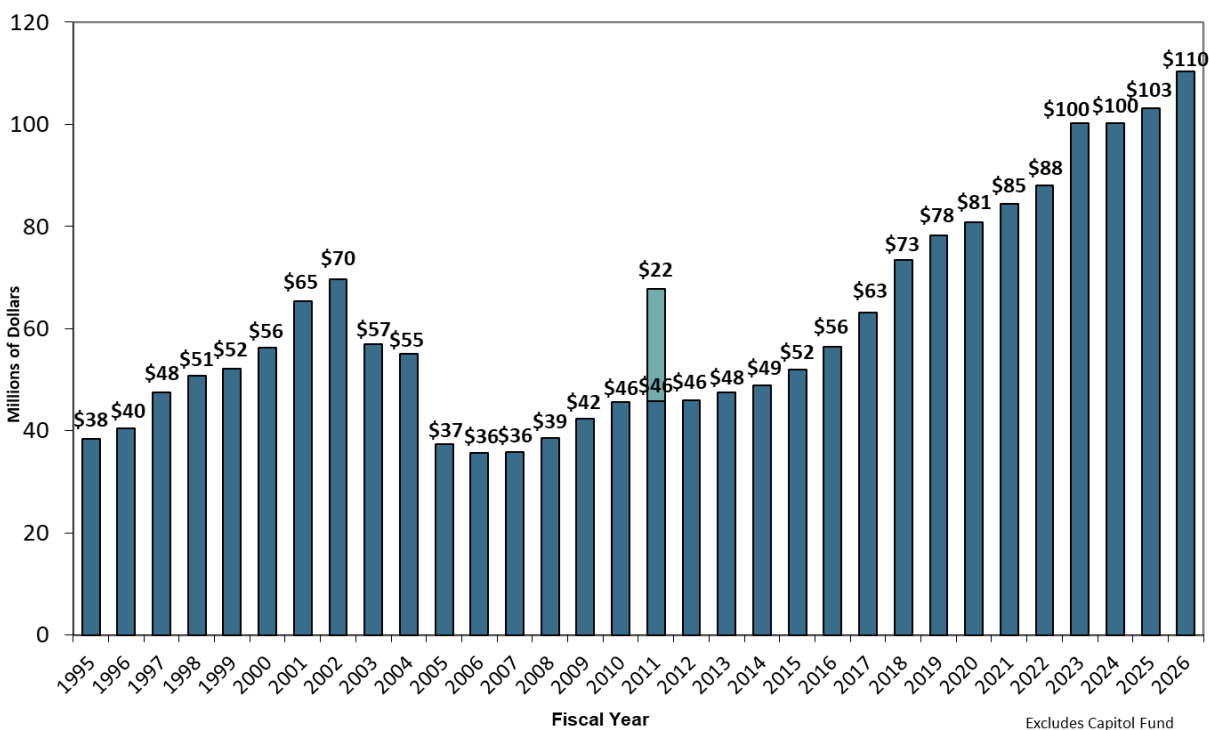
BENEFICIARY DISTRIBUTIONS

The Endowment Fund exists to provide distributions to beneficiaries in perpetuity. For all endowments, except Capitol Permanent, the Idaho State Board of Land Commissioners has established a beneficiary distribution policy. The current policy provides for annual distributions at a rate of 5% of the three-year moving average of the Permanent Fund balance (with the exception of State Hospital South which is 7%) and allows for adjustments to distributions based on factors including the level of Earnings Reserve Funds and transfers to the Permanent Funds.

Distributions to land-grant beneficiaries totaled \$103.2 million, \$100.3 million and \$100.3 million in fiscal years 2025, 2024 and 2023, respectively. The Board of Land Commissioners approved distributions of \$110.4 million and \$117.3 million in fiscal years 2026 and 2027, respectively. The table below provides a history of land-grant beneficiary distributions.

Beneficiary Distributions 1995-2026

(includes special Public School distribution in 2011 of \$22M)



On July 1, 2004, the Capitol Permanent Fund was pooled with the Endowment Fund for investment purposes. Additions to the Capitol Permanent Fund include revenue from timber lands, license plate royalties, and investment income. The EFIB authorizes distributions from the Capitol Permanent Fund to the Capitol Maintenance Reserve Fund. Distributions from the Capitol Permanent Fund to the Capitol

Maintenance Reserve Fund totaled \$1.95 million, \$1.87 million and \$1.83 million in fiscal years 2025, 2024 and 2023, respectively. Distributions from the Capitol Maintenance Reserve Fund are determined by the Capitol Commission, subject to legislative appropriation. Distributions from the Capitol Maintenance Reserve Fund to the Capitol Commission were \$250,000, \$250,000, and \$1,021,819 in fiscal years 2025, 2024 and 2023, respectively.

CREDIT ENHANCEMENT PROGRAM

On July 1, 2002, the State of Idaho's Credit Enhancement Program for school district bond financing was established. This program, in accordance with Idaho Code Section 57-728 and in conjunction with Idaho Code Chapter 53, Title 33, requires the Public School Endowment Fund to purchase up to \$300 million in notes of the State that may be issued to avoid default on school district bonds. This credit enhancement allows eligible voter-approved school bonds to be issued with AAA ratings, which until recently has been above the State's credit rating. The enhanced credit rating historically resulted in lower borrowing costs for Idaho school districts. EFIB has committed to provide credit enhancement on up to \$1.2 billion in school bonds, with a limit of \$40 million per school district. There were \$464.3 million, \$521.2 million, and \$538.9 million in bonds guaranteed by the Credit Enhancement Program as of June 30, 2025, 2024 and 2023, respectively.

RISKS

The Endowment Fund is aware that macroeconomic and geopolitical risks broadly affect financial markets, and it works closely with its consultant and investment managers to monitor important trends and address risks assumed in the portfolio. It also recognizes the recent escalation of cyber security risk and consistently reviews and monitors best practices used to mitigate these risks.

USING THIS ANNUAL REPORT

The annual report consists of the independent auditors' report, financial statements, notes to the financial statements, supplementary information and other information. The financial statements, notes to the financial statements and supplementary schedules are prepared by the EFIB staff and are intended to give the reader a complete understanding of the Endowment Fund. The financial statements consist of the Governmental Balance Sheets and the Governmental Statements of Revenues, Expenditures and Changes in Governmental Fund Balances. The notes to the financial statements are an integral part of the financial statements and provide additional information on the Endowment Fund and its operations.

**STATE OF IDAHO ENDOWMENT FUND
GOVERNMENTAL BALANCE SHEETS
JUNE 30, 2025 AND 2024**



	2025	2024
Assets:		
Investments, at Fair Value	\$ 3,574,170,496	\$ 3,252,367,492
Receivable for Unsettled Trades	6,270,300	42,807,567
Receivable From Idaho Department of Lands	2,063,550	4,118,934
Accrued Interest and Dividends Receivable	10,516,858	9,210,941
Prepaid Expenses to the Department of Lands	10,740,196	6,321,575
Total Assets	\$ 3,603,761,400	\$ 3,314,826,509
Liabilities:		
Payable for Unsettled Trades	\$ 12,335,506	\$ 58,411,757
Investment Manager Expenses Payable	2,755,286	2,412,053
Total Liabilities	15,090,792	60,823,810
Fund Balances:		
Nonspendable - Permanent Funds	2,542,791,593	2,332,223,197
Restricted - Earnings Reserve Funds	1,045,879,015	921,779,502
Total Fund Balances	3,588,670,608	3,254,002,699
Total Liabilities and Fund Balances	\$ 3,603,761,400	\$ 3,314,826,509

See Notes to Financial Statements

**STATE OF IDAHO ENDOWMENT FUND
GOVERNMENTAL STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN GOVERNMENTAL FUND BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024**



Revenues:	<u>2025</u>	<u>2024</u>
Receipts from the Department of Lands		
Permanent Receipts	\$ 13,956,522	\$ 2,666,347
Earnings Reserve Receipts	90,744,435	91,706,237
Net Income from Investments	374,361,938	355,605,148
Total Revenues	<u>479,062,895</u>	<u>449,977,732</u>
Expenditures:		
Department of Lands	29,155,791	30,871,403
Investment Management	11,767,595	11,140,725
Total Expenditures	<u>40,923,386</u>	<u>42,012,128</u>
Revenues Over Expenditures	438,139,509	407,965,604
Other Financing Uses		
Distributions to Beneficiaries	103,471,600	100,565,000
Net Increase in Fund Balance	<u>334,667,909</u>	<u>307,400,604</u>
Fund Balance - Beginning of Year	3,254,002,699	2,946,602,095
Fund Balance - End of Year	<u>\$ 3,588,670,608</u>	<u>\$ 3,254,002,699</u>

See Notes to Financial Statements

NOTE 1 - GENERAL DESCRIPTION OF THE FUND

The Endowment Fund Investment Board (the EFIB) is charged with administration and investment management responsibilities for the State of Idaho Endowment Fund (the “Endowment Fund”), which is comprised of Permanent and Earnings Reserve Funds for state beneficiaries including Public School, Agricultural College, Charitable Institutions, Normal School, Penitentiary, School of Science, State Hospital South, and the University of Idaho, as well as the Capitol Permanent Fund and Capitol Maintenance Reserve Fund.

The Endowment Fund is part of the State of Idaho’s financial reporting and is included in the State’s Annual Comprehensive Financial Report (ACFR). The Endowment Fund is invested according to investment policies recommended by the EFIB Board and established by the Idaho State Board of Land Commissioners.

The EFIB has no control over assets held by the Idaho Department of Lands (IDL); therefore, the EFIB gives accounting recognition only when transactions related to endowment land assets are completed by IDL.

Endowment Fund Investment Reform Legislation

On July 1, 2000, the EFIB significantly changed operations and reporting of the Endowment Fund, under legislation enacted by the Idaho Legislature in 1998.

The legislation provides that:

- (1) The EFIB, as trustees, will control, manage and invest the Endowment Fund according to policies established by the Idaho State Board of Land Commissioners.
- (2) The application of the Uniform Prudent Investor Act replaces the previous, more restrictive, investment criteria.
- (3) An Earnings Reserve Fund was established to create a buffer to preserve the Permanent Fund balances.
- (4) Administrative costs are to be paid from earnings of the Endowment Fund instead of from annual General Fund appropriations.
- (5) Distributions to beneficiaries are determined by the Idaho State Board of Land Commissioners and are to be paid from the Earnings Reserve Funds, which include investment earnings, net capital gains and certain receipts from IDL.

In March 2004, legislation was enacted which establishes an objective that the Permanent Funds of each endowment grow from June 2000 levels at least at the cumulative rate of inflation plus deposits. Further, it provides that any income and market appreciation of the Permanent Funds can only be transferred to the Earnings Reserve Funds if that objective has been achieved.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The financial statements include only the assets of the Endowment Fund Investment Board (EFIB) and conform to the accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The Endowment Fund is part of the State of Idaho reporting entity based on certain GASB criteria. These statements present only the Endowment Fund and are not intended to present the financial position and results of operations of the State of Idaho in conformity with generally accepted accounting principles in the United States of America.

Fund Accounting

The operations of the Endowment Fund are accounted for and reported as Non-spendable Permanent Fund and Restricted Earnings Reserve Fund as defined by GASB and uses the modified accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenditures are recognized when they are incurred. These statements report all activities of the Endowment Fund as a governmental type activity.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investments

According to policies established by the State Board of Land Commissioners, the EFIB is authorized to invest the Endowment Fund in certain fixed income, real estate and equity investments as defined by the investment policy of the EFIB and consistent with Idaho Code Section 57-723. This section states in part, "The EFIB and its investment manager(s) or custodian(s) shall be governed by the Idaho Uniform Prudent Investor Act (Chapter 5, Title 68, Idaho Code), and shall invest and manage the assets of the respective trusts in accordance with that act and the Idaho constitution." In accordance with this code section, the EFIB's investment policy, specifies that the Endowment Funds may be invested in equities (61% to 71% of the investment portfolio, with a target of 66%), fixed income (21% to 27% of the investment portfolio, with a target of 24%), and real estate (7% to 13% of the investment portfolio, with a target of 10%).

The following is a list of investments by asset class allowed by the general investment policy:

- (1) Cash Equivalents: Treasury bills; money market funds; STIF funds; commercial paper; banker's acceptances; repurchase agreements; certificates of deposit.
- (2) Fixed Income: U.S. government and agency securities; bank loans; corporate notes and bonds; residential mortgage backed bonds; commercial mortgage backed bonds; municipal bonds, infrastructure securities, USD and non-USD fixed income securities of foreign governments and corporations; planned amortization class collateralized mortgage obligations; or other "early tranche" CMO's; Sequential pay CMO's; collateralized loan obligations, asset backed securities; convertible notes and bonds; Securities defined under Rule 144A and Section 4(2) of Securities Act of 1933; or securities eligible for inclusion in the Bloomberg Barclays Aggregate Bond Index.
- (3) Equities: Common stocks; convertible preferred stocks; preferred stocks; REITS; American depository receipts (ADRs); stocks of non-U.S. companies (ordinary shares).
- (4) Real Estate: Domestic, private, open-end, core comingled funds, REITS.
- (5) ETFs, Mutual Funds and Collective Funds which invest in securities as allowed in this statement or as permitted in Investment Manager Guidelines. Investment managers will advise the MOI of their intent to utilize ETFs prior to their purchase, what specific ETFs they intend to use and the purposes they serve.
- (6) Futures, Options and Swaps: The EFIB may use financial index futures and options in order to adjust the overall effective asset allocation of the entire portfolio or it may use swaps, futures or options to hedge interest rate or currency exposure. For example, S&P 500 and 10-Year Treasury futures may be used to equitize idle cash and to passively rebalance the portfolio. Futures and options positions are not to be used for speculation, and the EFIB must specifically approve the program for each type of use. Derivative exposure must have sufficient cash, cash equivalents, offsetting derivatives or other liquid assets to cover such exposures. Investment securities are stated at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date. Purchase and sale transactions are recorded on the trade date.
- (7) Derivative securities: Derivative securities are defined as synthetic securities whose price and cash flow characteristics are based on the cash flows and price movements of other underlying securities. Most derivative securities are derived from equity or fixed income securities and are packaged in the form of options, futures, and interest rate swaps, among others. Since it is anticipated that new derivative products will be created each year, it is not the intention of this document to list specific derivatives that are prohibited from investment, rather it will form a general policy on derivatives. Unless a specific type of derivative security is allowed in the Investment Manager Guidelines, the Investment Manager(s) must seek written permission from the EFIB to include derivative investments in the Fund's portfolio. The Investment Manager(s) must present detailed written information as to the expected return and risk characteristics of such investment vehicles.

Investment securities are stated at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date. Purchase and sale transactions are recorded on the trade date.

In fiscal years 2025 and 2024, the EFIB utilized index futures for cash equitization and passive rebalancing. Index futures obligate the buyer to purchase an asset (or the seller to sell an asset) at a predetermined future date and price. Futures contracts detail the quality and quantity of the underlying asset and are standardized to facilitate trading on a futures exchange.

The table below summarizes the various contracts in the portfolio as of June 30, 2025. The notional value of these instruments is not recorded in the financial statements.

Derivatives	Expiration Date	Contracts	Notional Value	Fair Value
Equity Contracts	Sept, 2025	2	\$7,557,406	\$0
Interest Rate Contracts	Sept, 2025	1	\$6,778,273	\$0

The table below summarizes the various contracts in the portfolio as of June 30, 2024. The notional value of these instruments is not recorded in the financial statements.

Derivatives	Expiration Date	Contracts	Notional Value	Fair Value
Swaps	Various	13	\$0	\$420,786
Equity Contracts	Various	1	\$7,310,277	\$0
Foreign Exchange Contracts	Various	95	\$0	(\$217,792)
Options on Futures	Various	22	\$0	\$83,976
Interest Rate Contracts	Various	9	\$109,950,895	\$0

Non-spendable and Restricted Fund Balance

The fund balance of the Earnings Reserve Funds is the spendable assets of the Endowment Fund, which are restricted by law, constitutional provisions, or enabling legislation as to the use. These spendable assets are used for distributions to beneficiaries and distributions for expenses of the EFIB and the IDL. The fund balance of the Permanent Funds is the nonspendable assets, which cannot be spent because they are legally required to be maintained intact.

Income from Investments

Income from investments is recognized when earned and includes interest, dividends, other income, and market appreciation (realized and unrealized). Income from investments is allocated and distributed to each fund participating in the investment pool in the same ratio that each fund's average daily balance bears to the total daily balance of all funds.

Within each endowment, income from investments is further allocated to its Permanent Fund and Earnings Reserve Fund in accordance with Idaho Code Sections 57-723A and 57-724A. The definition of “income” to be allocated depends on whether or not the Permanent Fund portion of an endowment fund has exceeded its “Gain Benchmark” as defined in statute at the end of the fiscal year.

The Gain Benchmark, as specified in Idaho Code Section 57-724, represents the desired or targeted value of principal or corpus in each endowment fund (excluding Capitol Permanent). It is determined by starting with the balance at June 30, 2000, and adding deposits (mainly extracted minerals from endowment land and the sale of endowment land), the annual impact of inflation based on the twelve month average of the Consumer Price Index – All Urban (CPI), and certain reinvested income transfers from Earnings Reserve that are designated by the Land Board as a permanent increases in corpus. The level of the Gain Benchmark determines whether income from investments in the Permanent Fund should be retained to offset inflation and previous losses or is eligible to be transferred to the Earnings Reserve as distributable income. The Permanent Funds at the end of FY2025 and FY2024 had balances that were in excess of the gain benchmark.

Losses in Principal of the Permanent Funds

At the end of each fiscal year, the EFIB is required to calculate whether the fair market values of the Permanent Funds are below the principal or Loss Benchmark level as defined in statute (June 30, 2000 value adjusted for deposits – primarily revenues from extracted minerals and proceeds of land sales).

A loss in principal of the Public School Permanent Fund is made up as follows:

- (1) The State Board of Land Commissioners may transfer any funds in the Public School Earnings Reserve Fund that they determine will not be needed for administrative costs or scheduled distributions in the following fiscal year to the Public School Permanent Fund, to make up for any prior losses in value.
- (2) If funds transferred from the Earnings Reserve Fund are insufficient to make up all losses in value to the Public School Permanent Fund, the remaining loss shall be made up, within ten years, by legislative transfer or appropriation. If subsequent gains, as determined pursuant to the statute, or transfers from the Earnings Reserve Fund, make up for any remaining loss before this ten-year period expires, then no legislative transfer or appropriation shall be necessary.

A loss in principal of the Permanent Funds other than the Public School Permanent or Capitol Permanent Funds shall be made up from Earnings Reserve Fund monies that the State Board of Land Commissioners determines will not be needed for administrative costs or scheduled distributions to each endowment’s respective beneficiary.

Federal law requires that losses to the Agricultural College fund must be made up by the State, but the requirement to restore losses to that endowment has not been established in statute.

There is no statutory requirement to make up losses or calculate a Gain or Loss Benchmark in the Capitol Permanent Fund.

Distributions to State Beneficiaries

With the exception of the Capitol Funds, distributions to the other eight beneficiaries are authorized annually by the State Board of Land Commissioners and are made in equal monthly installments on approximately the 10th of each month. Distributions to the Capitol Maintenance Reserve Fund from the Capitol Permanent Fund are authorized by the EFIB and distributed in July of each fiscal year. Distributions from the Capitol Maintenance Reserve Fund are authorized by the Capitol Commission.

Other

Investments have risks that the other parties to securities transactions do not fulfill their contractual obligations. The EFIB attempts to minimize such risks by diversifying the portfolio investments, monitoring investment grade and quality, and purchasing primarily investment grade fixed income securities.

The EFIB does not intend to use market timing as an investment strategy. However, the investment policy provides the flexibility for tactical asset allocation and rebalancing using capitalizations, investment styles, sectors, and other factors.

STATE OF IDAHO ENDOWMENT FUND
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JUNE 30, 2025 AND 2024



NOTE 3 - INVESTMENTS

Investments at June 30, 2025 and 2024:

Fund Investments	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Barrow, Hanley	\$ 52,897,125	\$ 63,797,413	\$ 53,657,704	\$ 64,129,169
Boston Partners	132,116,507	172,673,154	120,016,833	161,937,154
CBRE	191,710,226	165,478,399	139,807,349	120,291,243
Clearwater Advisors	-	-	469,121	469,121
Dodge & Cox Core Bond	224,324,621	226,704,457	-	-
Dodge & Cox Global Equity	133,016,279	145,332,925	117,026,345	126,791,992
DoubleLine Capital - Core Plus	234,153,390	228,055,363	218,613,110	207,018,733
Eagle Asset Management	-	-	52,916,237	65,628,641
LSV Asset Management	-	-	25,494	25,494
Northern Trust Money Market Fund*	18,092,475	18,092,473	18,096,682	18,096,682
NTGI S&P 500 Index	261,472,266	566,355,919	270,768,792	531,781,298
Pinestone Global Equity	83,101,072	144,924,762	77,820,078	134,396,183
RREEF America REIT II IN	171,061,836	173,272,183	142,601,498	144,506,128
Sands Capital Management	-	-	126	126
Schroders QEP International Value	258,850,094	311,842,937	258,368,705	276,654,865
State Street Global Advisors	407,913,041	383,219,896	404,501,375	369,689,583
Sycamore Capital Mid Cap	109,228,648	118,682,904	101,804,805	112,709,704
TimesSquare Capital Management	94,857,909	126,028,212	80,688,389	109,996,710
UBS Trumbull Property	9,463,304	9,458,524	11,339,651	11,221,901
WCM Focused Growth	215,089,012	316,629,685	204,762,558	269,033,765
Wellington Global	106,648,459	145,573,968	100,199,559	134,229,657
Western Asset Management - US Core	-	-	211,089,538	204,707,613
Westfield Small Growth	66,062,196	69,176,920	-	-
William Blair	131,882,671	182,805,196	122,164,165	173,447,540
Total Fund Investments	2,901,941,131	3,568,105,290	2,706,738,114	3,236,763,302
Pending Trades:				
Receivable for Investments Sold	(6,270,300)	(6,270,300)	(42,807,567)	(42,807,567)
Payable for Investments Purchased	12,335,506	12,335,506	58,411,757	58,411,757
Total Net Investments	\$ 2,908,006,337	\$ 3,574,170,496	\$ 2,722,342,304	\$ 3,252,367,492

*This is cash that is not allocated to an investment manager

CUSTODIAL CREDIT RISK - The EFIB minimizes exposure to custodial credit risk by requiring that investments, to the extent possible, be clearly marked as to EFIB ownership and further to the extent possible, be held in the EFIB's name. At June 30, 2025 and June 30, 2024, all Endowment Fund investments were insured or registered investments, or investments held by the EFIB or their agent in the EFIB's name.

The State Treasurer, per the State Constitution, is the custodian of the investments of the Public School Endowment Fund. Investments for the Endowment Fund are held under a safekeeping agreement with the Trust Department of the Northern Trust Company.

STATE OF IDAHO ENDOWMENT FUND
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CONCENTRATION OF CREDIT RISK – The EFIB minimizes exposure to concentration of credit risk by establishing concentration of credit risk limits in investment manager portfolio guidelines. As of June 30, 2025 and 2024, the Endowment Fund did not hold any credit positions exceeding 5% of the total portfolio, other than securities issued or guaranteed by the United States government.

As of June 30, 2025 and 2024, the Endowment Funds held \$75.0 million and \$79.5 million, respectively, in a comingled Treasury-only money market fund rated AAAM by S&P with a average maturity date of 45 days. These balances as of June 30, 2025 and 2024, include \$18.1 million and \$17.1 million of general cash and \$56.9 million and \$62.4 million of cash held in accounts allocated to the Funds' bond and equity managers, respectively.

As of June 30, 2025 and 2024, the Endowment Fund's fixed income investments had the following characteristics:

Credit Ratings Summary by Market Value-Moody's
As of June 30, 2025

Investment Type	Modified Duration	Aaa	Agy	Aa	A	Baa	Ba	B	>B	NR/Not Available	Total
Asset Backed Securities	2.6	\$ 20,853,210	\$ -	\$ 1,989,803	\$ 2,673,171	\$ 6,474,911	\$ 1,174,845	\$ -	\$ 2,934,515	\$ 1,103,630	\$ 37,204,085
Commercial Mortgage-Backed	3.2	11,520,061	-	3,385,479	1,571,390	1,798,730	512,193	-	3,685	1,362,010	20,153,548
Corporate Bonds	5.5	1,855,300	-	7,673,312	68,602,628	105,251,511	19,180,330	6,096,098	1,323,079	1,260,764	211,243,022
Corporate Convertible Bonds	2.3	-	-	-	-	-	191,348	190,445	-	-	381,793
Funds - Government Agencies	0.0	-	2,707,848	-	-	-	-	-	-	-	2,707,848
Funds - Other Fixed Income	0.0	-	-	-	-	-	5,265,146	-	-	-	5,265,146
Government Agencies	4.8	5,914,729	20,342	3,141,259	566,818	749,566	311,143	4,354,856	-	195,022	15,253,735
Government Bonds	7.5	94,487	32,340,707	231,959,238	576,771	5,019,606	187,262	-	-	-	270,178,071
Government Mortgage Backed Secur	6.9	-	246,036,296	-	-	-	-	-	-	75,009	246,111,305
Govt-issued Commercial Mortgage-B	5.0	-	3,638,676	-	-	-	-	-	-	-	3,638,676
Index Linked Government Bonds	13.6	-	-	1,441,480	-	-	-	-	-	-	1,441,480
Municipal/Provincial Bonds	6.7	217,695	-	3,196,614	2,028,618	-	-	-	-	-	5,442,927
Non-Government Backed C.M.O.s	4.2	2,682,750	-	273,395	1,210,613	1,787,223	-	-	4,283,625	1,857,466	12,095,072
Total		\$ 43,138,232	\$ 284,743,869	\$ 253,060,580	\$ 77,230,009	\$ 121,081,547	\$ 26,822,267	\$ 10,641,399	\$ 8,544,904	\$ 5,853,901	\$ 831,116,708

Credit Ratings Summary by Market Value-Moody's
As of June 30, 2024

Investment Type	Modified Duration	Aaa	Agy	Aa	A	Baa	Ba	B	>B	NR/Not Available	Total
Asset Backed Securities	2.9	\$ 5,235,927	\$ -	\$ 1,856,284	\$ 6,236,212	\$ 6,721,014	\$ 2,012,640	\$ -	\$ 3,200,718	\$ 1,631,004	\$ 26,893,799
Bank Loans	0.0	-	-	-	-	-	967,317	693,785	-	-	1,661,102
Commercial Mortgage-Backed	3.4	11,322,350	-	3,593,612	2,503,368	4,881,836	354,631	143,801	103,765	1,492,589	24,395,952
Corporate Bonds	6.4	2,733,685	-	9,273,555	73,001,627	95,800,156	11,799,648	4,892,814	1,549,035	1,154,683	200,205,203
Corporate Convertible Bonds	4.8	-	-	14,903	101,197	501,102	440,464	-	-	1	1,057,667
Funds - Corporate Bond	0.0	-	-	12,775,052	-	-	-	-	-	-	12,775,052
Funds - Government Agencies	0.0	-	2,524,941	-	-	-	-	-	-	-	2,524,941
Funds - Other Fixed Income	0.0	7,009,820	-	-	-	-	13,298,684	15,009,930	-	-	35,318,434
Government Agencies	4.1	9,989,904	206,400	685,810	545,655	542,131	460,958	108,290	24,684	332,071	12,895,903
Government Bonds	7.5	212,465,073	12,366,929	77,652	686,787	9,418,124	293,498	279,867	81,149	-	235,669,079
Government Mortgage Backed Secur	7.1	43,794	195,778,451	-	-	-	-	-	-	82,878	195,905,123
Govt-issued Commercial Mortgage-B	5.6	178,085	3,426,168	-	-	-	-	-	-	-	3,604,253
Index Linked Government Bonds	6.6	505,490	-	-	-	116,866	-	-	-	-	622,356
Municipal/Provincial Bonds	7.6	381,321	-	1,719,393	397,023	-	-	-	172,602	79,966	2,750,305
Non-Government Backed C.M.O.s	3.3	2,283,783	-	-	666,480	1,779,991	3,732,735	1,886,121	4,861,502	3,264	15,213,876
Total		\$ 252,149,232	\$ 214,302,889	\$ 29,996,261	\$ 84,138,349	\$ 119,761,220	\$ 33,360,575	\$ 23,014,608	\$ 9,993,455	\$ 4,776,456	\$ 771,493,045

*The Ba column includes bonds that are split rate and meet the minimum requirement of one of the two ratings agencies specified in the EFIB Statement of Investment Policy.

CREDIT RISK - EFIB Investment policy limits fixed income securities to: U.S. government and agency securities; bank loans; corporate notes and bonds; residential mortgage backed bonds; commercial mortgage backed bonds; municipal bonds, infrastructure securities, USD and non-USD fixed income securities of foreign governments and corporations; planned amortization class collateralized mortgage obligations; or other "early tranche" CMO's; Sequential pay CMO's; collateralized loan obligations, asset backed securities; convertible notes and bonds; Securities defined under Rule 144A and Section 4(2) of Securities Act of 1933; or any other fixed income securities eligible for inclusion in the Bloomberg Barclays Aggregate Bond Index.

INTEREST RATE RISK - Managers will provide EFIB with the expected portfolio duration in their portfolio guidelines. If the duration of the portfolio differs from expectations, managers are to be required to report these occurrences to Staff and these disclosures are to be made available to the Board.

STATE OF IDAHO ENDOWMENT FUND
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FOREIGN CURRENCY RISKS – The EFIB’s Investment Policy Statement permits investments in international securities. The Endowment Fund’s exposure to foreign currency risk is as follows:

Investment and Country	Currency	2025	2024
		Fair Value	Fair Value
Argentina	ARS	\$ -	\$ 170
Australia	AUD	6,760,244	12,541,663
Brazil	BRL	4,131,900	5,534,367
Canada	CAD	29,169,959	22,501,353
Chile	CNH	166,796	-
Chinese Yuan (HK)	CZK	349,977	(453,062)
Denmark	DKK	9,161,790	25,749,435
European Monetary Union	EUR	187,214,210	145,983,722
Great Britain	GBP	109,417,411	103,042,539
Hong Kong	HKD	39,392,739	19,609,766
Hungary	HUF	2,388,924	1,937,850
India	INR	-	1,374,531
Indonesia	IDR	477,209	831,285
Israel	ILS	985	879
Japan	JPY	84,191,831	49,124,158
Malaysia	MYR	853,225	1,549,255
Mexico	MXN	1,566,030	8,295,035
Norway	NOK	3,222,327	5,522,119
Philippines	PHP	694,920	674,277
Poland	PLN	461,656	2,896,908
Russia	RUB	-	15,600
Singapore	SGD	4,453,506	5,507,241
South Africa	ZAR	2,639,925	2,572,419
South Korea	KRW	19,111,315	13,631,096
Sweden	SEK	4,021,767	2,489,631
Switzerland	CHF	31,323,517	25,273,292
Taiwan	TWD	16,342,084	19,157,109
Thailand	THB	1,394,326	979,444
Turkey	TRY	89	108
Uruguay	UYU	-	116,865
Total		<u>\$ 558,908,662</u>	<u>\$ 476,459,055</u>

STATE OF IDAHO ENDOWMENT FUND
NOTES TO FINANCIAL STATEMENTS
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NOTE 4 – INCOME FROM INVESTMENTS

Per Idaho Code Section 57-724A, income distributed to the Earnings Reserve Fund includes the Permanent Fund's total cumulative income (interest, dividends and market appreciation/depreciation) above its Gain Benchmark (original principal, adjusted for deposits and inflation). The Permanent Fund retains any income to the extent of inflation and any cumulative losses carried forward from the previous year.

The Components of net income from investments for Fiscal Year 2025 and their allocation are shown below:

Permanent Fund Income
For the Fiscal Year Ended June 30, 2025

Endowment	Net Increase in Fair Value	Income Retained to Offset Inflation or Losses *	Cap Perm Fund Interest and Dividends	Total Investment Income
Public School	\$ -	\$ 37,553,533	\$ -	\$ 37,553,533
Agricultural College	-	1,137,514	-	1,137,514
Charitable	-	4,065,426	-	4,065,426
Normal School	-	4,248,056	-	4,248,056
Penitentiary	-	1,765,522	-	1,765,522
School of Science	-	3,807,681	-	3,807,681
State Hospital South	-	3,542,104	-	3,542,104
University of Idaho	-	3,537,568	-	3,537,568
Capitol Permanent **	3,730,073	-	899,397	4,629,470
Total	\$ 3,730,073	\$ 59,657,404	\$ 899,397	\$ 64,286,874

* For all Permanent funds (except Capitol Permanent), any cumulative total income vs. the Gain Benchmark is allocated to the Earning Reserve Fund as part of Allocation of Permanent Fund Gain in the table below).

**The Capitol Permanent Fund retains its interest and dividends.

Earnings Reserve Fund Income
For the Fiscal Year Ended June 30, 2025

Endowment	Net Increase in Fair Value	Interest, Dividends and Other Income	Allocation of Permanent Fund Gain *	Total Investment Gain
Public School	\$ 44,965,009	\$ 44,328,936	\$ 100,403,061	\$ 189,697,006
Agricultural College	1,426,159	1,347,937	3,200,180	5,974,276
Charitable	4,826,468	5,039,312	12,075,743	21,941,523
Normal School	5,172,072	5,165,000	12,303,862	22,640,934
Penitentiary	2,521,544	2,278,733	5,280,959	10,081,236
School of Science	4,604,735	4,585,922	10,631,071	19,821,728
State Hospital South	4,746,160	4,250,726	9,257,699	18,254,585
University of Idaho	4,303,341	4,480,634	10,998,242	19,782,217
Capitol Maintenance **	1,550,212	331,347	-	1,881,559
Total	\$ 74,115,700	\$ 71,808,547	\$ 164,150,817	\$ 310,075,064

* All Endowments (except Capitol Permanent), are allocated the Permanent Fund's total cumulative income over the Gain Benchmark.

**The Capitol Maintenance Fund retains its proportionate share of interest and dividends and the net increase or decrease in fair value.

STATE OF IDAHO ENDOWMENT FUND
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The Components of income from investments for Fiscal Year 2024 and their allocation are shown below:

Permanent Fund Income
For the Fiscal Year Ended June 30, 2024

Endowment	Net Increase in Fair Value	Income Retained to Offset Inflation or Losses *	Cap Perm Fund Interest and Dividends	Total Investment Income
Public School	\$ -	\$ 45,408,680	\$ -	\$ 45,408,680
Agricultural College	-	1,377,833	-	1,377,833
Charitable	-	4,923,260	-	4,923,260
Normal School	-	5,144,589	-	5,144,589
Penitentiary	-	2,138,504	-	2,138,504
School of Science	-	4,611,201	-	4,611,201
State Hospital South	-	4,290,276	-	4,290,276
University of Idaho	-	4,284,727	-	4,284,727
Capitol Permanent **	3,492,414	-	1,009,865	4,502,279
Total	\$ 3,492,414	\$ 72,179,070	\$ 1,009,865	\$ 76,681,349

* For all Permanent funds (except Capitol Permanent), any cumulative total income vs. the Gain Benchmark is allocated to the Earning Reserve Fund as part of Allocation of Permanent Fund Gain in the table below).

**The Capitol Permanent Fund retains its interest and dividends.

Earnings Reserve Fund Income
For the Fiscal Year Ended June 30, 2024

Endowment	Net Increase in Fair Value	Interest, Dividends and Other Income	Allocation of Permanent Fund Gain *	Total Investment Gain
Public School	\$ 39,186,707	\$ 48,400,983	\$ 82,478,862	\$ 170,066,552
Agricultural College	1,281,561	1,468,640	2,495,719	5,245,920
Charitable	5,220,020	5,473,636	9,236,033	19,929,689
Normal School	4,719,626	5,712,159	10,063,162	20,494,947
Penitentiary	2,032,630	2,444,190	4,318,704	8,795,524
School of Science	4,351,679	5,033,876	8,593,418	17,978,973
State Hospital South	4,392,786	4,719,965	7,771,591	16,884,342
University of Idaho	4,437,692	4,878,569	8,624,099	17,940,360
Capitol Maintenance **	1,265,332	322,161	-	1,587,493
Total	\$ 66,888,033	\$ 78,454,179	\$ 133,581,588	\$ 278,923,800

* All Endowments (except Capitol Permanent), are allocated the Permanent Fund's total cumulative income over the Gain Benchmark.

**The Capitol Maintenance Fund retains its proportionate share of interest and dividends and the net increase or decrease in fair value.

NOTE 5 – CLIENT EXPENDITURES

Four clients, representing twelve additional perpetual funds in Fiscal Year 2025 and 2024, are included in the same comingled investment pool as the Endowment Fund and their assets totaled \$210 million and \$193 million as of June 30, 2025 and 2024, respectively. These balances are not included in the EFIB financial statements.

In fiscal year 2025, expenses of the EFIB were paid from the Earnings Reserve Funds and by the EFIB's other clients. The portions paid by the other clients were paid under investment management contracts and are not considered an expenditure of the Endowment Funds and are therefore not included as expenditures or as reimbursements in these financial statements. Total expenditures were \$706,069 and \$670,271 for the fiscal years ended June 30, 2025 and 2024, respectively.

NOTE 6 – BENEFICIARY DISTRIBUTIONS

Distributions to beneficiaries for the Fiscal Years ended June 30, 2025 and 2024 are shown below.

Beneficiary	Total Fund Distributions	
	2025	2024
Public School	\$ 63,039,600	\$ 61,532,200
Agricultural College	1,993,200	1,927,500
Charitable Institutions	7,116,000	7,008,000
Normal School	7,273,200	6,568,700
Penitentiary	3,154,800	3,139,600
School of Science	6,722,400	6,672,700
State Hospital South	7,776,000	7,586,400
University of Idaho	6,146,400	5,879,900
Subtotal	103,221,600	100,315,000
Capitol Maintenance	250,000	250,000
Total Distributions	\$ 103,471,600	\$ 100,565,000

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Pursuant to Idaho Code Section 66-1106, the Charitable Institutions Endowment Fund income is distributed to five institutions according to the factors shown below. Distributions to these sharing institutions for the years ended June 30, 2025 and 2024, were as follows:

Charitable Institutions			
Beneficiaries	Factor	2025 Distribution	2024 Distribution
Idaho State University Fund	8/30	\$ 1,897,600	\$ 1,868,800
State Juvenile Corrections Institutions Fund	8/30	1,897,600	1,868,800
School for the Deaf and Blind Fund	1/30	237,200	233,600
Veterans Home Fund	5/30	1,186,000	1,168,000
State Hospital North Fund	8/30	1,897,600	1,868,800
Total		<u>\$ 7,116,000</u>	<u>\$ 7,008,000</u>

Pursuant to Idaho Code Section 33-3301B, the Normal School Endowment Fund Income is distributed to the two institutions shown below. Distributions to these sharing institutions for the years ended June 30, 2025 and 2024:

Normal School			
Beneficiaries	%	2025 Distribution	2024 Distribution
Idaho State University, Pocatello	50%	\$ 3,636,600	\$ 3,284,350
Lewis-Clark State College, Lewiston	50%	3,636,600	3,284,350
Total		<u>\$ 7,273,200</u>	<u>\$ 6,568,700</u>

NOTE 7 – CREDIT ENHANCEMENT PROGRAM FOR SCHOOL DISTRICT BONDS

On July 1, 2002, the State of Idaho’s Credit Enhancement Program for school district bonds became effective. This program, in accordance with Idaho Code Section 57-728 and in conjunction with Idaho Code Chapter 53, Title 33, currently requires the Public School Endowment Fund to purchase up to \$300 million in notes of the State of Idaho that are issued to avoid the default of a voter-approved school district bond that has been guaranteed by the program.

The capacity of the School Bond Credit Enhancement Program to guarantee payments on general obligation school bonds is \$300 million and the bond principal that can be guaranteed is \$1.2 billion. The maximum available to any one district for bond principal is \$40 million.

As of June 30, 2025, \$464.3 million of bonds guaranteed by the Credit Enhancement Program remained outstanding. Expected principal and interest payments in the coming year total \$57.1 million. As of June 30, 2024, \$521.2 million of bonds guaranteed by the Credit Enhancement Program remained outstanding.

The Public School Endowment Fund would only be required to loan monies to the State to make payments on school bonds after several other potential funding sources have been exhausted. If a school district does not make timely prepayment of debt service on guaranteed bonds, the State Treasurer is required to make the payment. The State Treasurer may utilize any available funds from the state sales tax account. If this sources prove insufficient to make the payment, the Treasurer may borrow the remaining amount from the Public School Endowment Fund, at a rate of 400 basis points above one-year Treasury Bills. This loan from the Endowment Fund would be repaid by the intercept of future state funds due to the school district and other sources.

Since July 2009, the EFIB has charged an application fee to offset administrative costs and a guaranty fee that is deposited in the Public School Endowment Fund for providing the ongoing credit enhancement. Application fees for fiscal year 2025 totaled \$0 and guaranty fees, included in Income from Investments, totaled \$5,777. Application fees for fiscal year 2024 totaled \$1,500 and guaranty fees, included in Income from Investments, totaled \$13,727.

NOTE 8 – BUDGETARY COMPARISON

Budgets are adopted on a cash basis for the Endowment Fund. The budget for administrative expenses (personnel, operating and capital outlay) from the Earnings Reserve Funds is approved by the legislature on an annual basis. Expenses for consulting fees, bank custodial fees, and portfolio-related external costs are continuously appropriated by the Idaho Legislature on an annual basis. The EFIB is not required by law to adopt or publish an overall budget for operations.

NOTE 9 – MISCELLANEOUS REVENUE

By law, certain miscellaneous State revenue is required to be deposited in the Public School Permanent Fund:

- Unclaimed estates, dividends and stock certificates from Idaho corporations (Idaho Constitution Section 4 Article IX)
- Five percent of federal land sales, net of sale expenses (Section 7 of the Idaho Admission Bill)
- Anonymous political contributions in excess of \$50 (Idaho Code Section 67-6610)
- Unqualified election expenses of political parties paid from state income tax funds (Idaho Code Section 34-2505)
- Royalties arising from extraction of minerals from navigable waterways (Idaho Code Section 58-104)

In fiscal 2025, the Public School Permanent Fund received \$35,067 representing the net proceeds from two sales of federal land in Idaho, 1 political donation of \$705 and 1 donation of \$1,044.

In fiscal year 2024, the Public School Permanent Fund received \$644 from 1 donation. These miscellaneous revenues are included in Receipts from the Department of Lands.

STATE OF IDAHO ENDOWMENT FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024



The Capitol Maintenance Reserve Fund receives a portion of the additional fees charged for the special Idaho Capitol vehicle license plate (Idaho Code Section 49-420A). In fiscal 2025 and 2024, this revenue totaled \$332,380 and \$292,100, respectively, and is included in Receipts from Department of Lands.

NOTE 10 – LAND BANK

The Land Bank Fund was established under Idaho Code Section 58-133 to allow the State Board of Land Commissioners to hold proceeds from the sale of state endowment land pending the purchase of other Idaho land for the benefit of the beneficiaries of that endowment. These proceeds may be held for a period not to exceed five years from the effective date of the sale. Funds in the Land Bank are invested in the State Treasurer’s Idle Pool and any investment earnings are added to the original proceeds. Land Bank Fund assets are not included in the balances of the Endowment Funds since they are being held primarily for purchase of land that will be managed by IDL. The authority to acquire land using Land Bank assets rests with the State Board of Land Commissioners.

As of June 30, 2025 and 2024, the Land Bank Fund balances were \$76.0 million and \$73.6 million, respectively. During fiscal year 2025, \$10.4 million was transferred out of the Land Bank Fund. The Land Bank balances by endowment, as of June 30, 2025 were as follows:

Land Bank As of June 30, 2025					
FY Quarter Received	Public School	Normal School	State Hospital South	Total	FY Quarter Expires
2022-01	\$ 784,215	-	-	\$ 784,215	2027-01
2022-02	10,140,720	-	-	10,140,720	2027-02
2022-03	9,890,500	-	-	9,890,500	2027-03
2022-04	-	-	-	-	2027-04
2023-01	6,125,000	-	-	6,125,000	2028-01
2023-02	9,848,000	-	432,187	10,280,187	2028-02
2023-03	9,800,000	-	-	9,800,000	2028-03
2023-04	-	-	-	-	2028-04
2024-01	-	-	-	-	2029-01
2024-02	6,006,000	-	-	6,006,000	2029-02
2024-03	-	-	-	-	2029-03
2024-04	2,099,820	-	-	2,099,820	2029-04
2025-01	-	-	-	-	2030-01
2025-02	10,249,720	450,000	5,563,000	16,262,720	2030-02
2025-03	-	-	-	-	2030-03
2025-04	1,155,000	-	-	1,155,000	2030-04
Total Principal Remaining	66,098,975	450,000	5,995,187	72,544,162	
Interest	3,280,227	23,442	171,527	3,475,196	
Land Bank Cash Balance with Interest	\$ 69,379,202	\$ 473,442	\$ 6,166,714	\$ 76,019,358	

These balances relate to land sales made in fiscal years 2022, 2023, 2024 and 2025. If by the end of the fifth year, the proceeds from a land sale have not been spent or encumbered to purchase other land within the State, the proceeds are deposited in the Permanent Fund along with accumulated investment earnings.

NOTE 11 - INVESTMENTS MEASURED AT FAIR VALUE

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair market value measurement. There were no Level 3 assets to report.

STATE OF IDAHO ENDOWMENT FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024



Fair Value Measurements Using 6/30/2025				
	Total Investments	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities				
Asset Backed Securities	\$ 37,204,085	\$ -	\$ 37,204,085	\$ -
Commercial Mortgage-Backed	20,153,548	-	20,153,548	-
Corporate Bonds	211,243,022	-	211,243,022	-
Corporate Convertible Bonds	381,793	-	381,793	-
Funds - Government Agencies	2,707,848	-	2,707,848	-
Funds - Other Fixed Income	5,265,146	-	5,265,146	-
Government Agencies	15,253,735	-	15,253,735	-
Government Bonds	270,178,071	-	270,178,071	-
Government Mortgage-Backed Securities	246,111,305	-	246,111,305	-
Gov't-issued Commercial Mortgage-Backed	3,638,676	-	3,638,676	-
Index Linked Government Bonds	1,441,480	-	1,441,480	-
Municipal/Provincial Bonds	5,442,927	-	5,442,927	-
Non-Government Backed C.M.O.s	12,095,072	-	12,095,072	-
Total Debt Securities	831,116,708	-	831,116,708	-
Preferred Stock Securities				
Consumer Discretionary	553,986	553,986	-	-
Consumer Staples	57,908	57,908	-	-
Energy	1,046,525	1,046,525	-	-
Financials	1,024,940	1,024,940	-	-
Materials	226,232	226,232	-	-
Total Preferred Stock Securities	2,909,591	2,909,591	-	-
Equity Securities				
Common Stock Funds	145,332,925	145,332,925	-	-
Communication Services	164,066,006	164,066,006	-	-
Consumer Discretionary	232,274,156	232,274,156	-	-
Consumer Staples	107,275,127	107,275,127	-	-
Energy	69,908,761	69,908,761	-	-
Financials	384,220,714	384,220,714	-	-
Health Care	178,066,080	178,066,080	-	-
Industrials	342,939,807	342,939,807	-	-
Information Technology	534,149,847	534,149,847	-	-
Materials	79,939,683	79,939,683	-	-
MISCELLANEOUS	4,005	4,005	-	-
Real Estate	29,798,797	29,798,797	-	-
Utilities	47,559,568	47,559,568	-	-
Funds - Equity ETFs	863,309	863,309	-	-
Stapled Securities	523,159	523,159	-	-
Total Equity Securities	2,316,921,944	2,316,921,944	-	-
Derivatives				
Equity Contracts	-	-	-	-
Interest Rate Contracts	-	-	-	-
Total Derivatives	-	-	-	-
Total Investments by Fair Value Level	\$ 3,150,948,243	\$ 2,319,831,535	\$ 831,116,708	\$ -
Investments Measured at amortized cost				
Money Market Fund	75,013,147			
Investments Measured at the Net Asset Value (NAV)				
Real Estate (private)	348,209,106			
Total Investments	<u>\$ 3,574,170,496</u>			

STATE OF IDAHO ENDOWMENT FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024



Fair Value Measurements Using 6/30/2024				
	Total Investments	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities				
Asset Backed Securities	\$ 26,893,799	\$ -	\$ 26,893,799	\$ -
Bank Loans	1,661,102	-	1,661,102	-
Commercial Mortgage-Backed	24,395,952	-	24,395,952	-
Corporate Bonds	200,205,203	-	200,205,203	-
Corporate Convertible Bonds	1,057,667	-	1,057,667	-
Funds - Corporate Bond	12,775,052	-	12,775,052	-
Funds - Government Agencies	2,524,941	-	2,524,941	-
Funds - Other Fixed Income	35,318,434	-	35,318,434	-
Government Agencies	12,895,903	-	12,895,903	-
Government Bonds	235,669,079	-	235,669,079	-
Government Mortgage-Backed Securities	195,905,123	-	195,905,123	-
Gov't-issued Commercial Mortgage-Backed	3,604,253	-	3,604,253	-
Index Linked Government Bonds	622,356	-	622,356	-
Municipal/Provincial Bonds	2,750,305	-	2,750,305	-
Non-Government Backed C.M.O.s	15,213,876	-	15,213,876	-
Total Debt Securities	771,493,045	-	771,493,045	-
Preferred Stock Securities				
Consumer Discretionary	197,814	197,814	-	-
Consumer Staples	1,250,504	1,250,504	-	-
Energy	483,590	483,590	-	-
Financials	309,003	309,003	-	-
Industrials	93,738	93,738	-	-
Materials	142,633	142,633	-	-
Utilities	495,063	495,063	-	-
Total Preferred Stock Securities	2,972,345	2,972,345	-	-
Equity Securities				
Common Stock Funds	126,791,992	126,791,992	-	-
Communication Services	131,677,877	131,677,877	-	-
Consumer Discretionary	232,636,133	232,636,133	-	-
Consumer Staples	100,177,735	100,177,735	-	-
Energy	84,175,628	84,175,628	-	-
Financials	308,171,705	308,171,705	-	-
Health Care	237,416,644	237,416,644	-	-
Industrials	271,153,166	271,153,166	-	-
Information Technology	481,769,589	481,769,589	-	-
Materials	79,962,776	79,962,776	-	-
MISCELLANEOUS	4,023	4,023	-	-
Real Estate	28,564,055	28,564,055	-	-
Utilities	36,258,362	36,258,362	-	-
Funds - Equity ETFs	2,110,072	2,110,072	-	-
Stapled Securities	156,536	156,536	-	-
Total Equity Securities	2,121,026,293	2,121,026,293	-	-
Derivatives				
Swaps	420,786	420,786	-	-
Foreign Exchange Contracts	(217,792)	(217,792)	-	-
Options on Futures	83,976	83,976	-	-
Total Derivatives	286,970	286,970	-	-
Total Investments by Fair Value Level	\$ 2,895,778,653	\$ 2,124,285,608	\$ 771,493,045	\$ -
Investments Measured at amortized cost				
Money Market Fund	80,569,567			
Investments Measured at the Net Asset Value (NAV)				
Real Estate (private)	276,019,272			
Total Investments	<u>\$ 3,252,367,492</u>			

STATE OF IDAHO ENDOWMENT FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024



Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is described below.

NET ASSET VALUE (NAV)

Real estate investment fund - This type includes three real estate funds; UBS TPI, CBRE and DB RAR II invest primarily in U.S. commercial real estate. Net Asset Value (NAV) is determined in accordance with accounting principles generally accepted in the United States, NCREIF Real Estate Information Standards, and market-based accounting rules where appropriate and applicable. Net Asset Value (NAV) is based on the fund's gross asset value less the value of any debt or other outstanding liabilities, whether held directly or indirectly through another entity or entities, anticipated distributions and similar items, as determined by the Advisor at its discretion.

Investments Measured at the NAV for 2025:

Investments Measured at the NAV 6/30/2025				
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
<i>Real Estate Funds</i>				
UBS TPI	\$ 9,458,524	-	Quarterly	60 Days
CBRE	165,478,399	-	Quarterly	60 Days
DB RAR II	<u>173,272,183</u>	-	Quarterly	45 days
Total Investments measured at the NAV	<u>\$ 348,209,106</u>			

Investments Measured at the NAV for 2024:

Investments Measured at the NAV 6/30/2024				
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
<i>Real Estate Funds</i>				
UBS TPI	\$ 11,221,901	-	Quarterly	60 Days
CBRE	120,291,243	-	Quarterly	60 Days
DB RAR II	<u>144,506,128</u>	-	Quarterly	45 days
Total Investments measured at the NAV	<u>\$ 276,019,272</u>			

NOTE 12 - COMMITMENTS

For endowments other than the Capitol Funds, the Board of Land Commissioners has approved, and the legislature has appropriated, the following distributions to beneficiaries for FY 2026.

	FY 2026
Public School	\$ 68,224,800
Agricultural College	2,102,400
Charitable Institutions	7,502,400
Normal School	7,783,200
Penitentiary	3,322,800
School of Science	7,084,800
State Hospital South	7,776,000
University of Idaho	6,574,800
Total	\$110,371,200

The EFIB authorizes distributions from the Capitol Permanent Fund to the Capitol Maintenance Reserve Fund, effective July 1 of each fiscal year. For fiscal year 2026, the EFIB authorized a regular distribution of \$1,923,000 based on approximately 5% of the Capitol Permanent Fund balance.

NOTE 13 - SUBSEQUENT EVENTS

On August 19, 2025, the Board of Land Commissioners approved beneficiary distributions for fiscal year 2027. Fiscal year 2027 beneficiary distributions have not yet been appropriated by the legislature and will be considered by the legislature in its 2026 session.

	<i>Distributions Proposed</i>
<u>Beneficiaries</u>	<u>FY 2027</u>
Public School	\$ 72,366,000
Agricultural College	2,222,400
Charitable Institutions	8,113,200
Normal School	8,494,800
Penitentiary	3,585,600
School of Science	7,465,200
State Hospital South	7,776,000
University of Idaho	7,255,200
Total	\$ 117,278,400



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Endowment Fund Investment Board
State of Idaho Endowment Fund
Boise, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the State of Idaho Endowment Fund administered by the Endowment Fund Investment Board (the EFIB), a permanent fund of the State of Idaho, as of and for the year ended June 30, 2025, and the related notes to the financial statements and have issued our report thereon dated August 19, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of Idaho Endowment Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Idaho Endowment Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Idaho Endowment Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the State of Idaho Endowment Fund's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Idaho Endowment Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Idaho Endowment Fund's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of Idaho Endowment Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature of Erik Bailly LLP in cursive script.

Boise, Idaho
August 19, 2025



Supplementary Schedules

**STATE OF IDAHO ENDOWMENT FUND
SUPPLEMENTARY SCHEDULE OF FUND BALANCE BY ENDOWMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**



	Public School	Agricultural College	Charitable Institutions	Normal School
PERMANENT FUND BALANCE				
Permanent Fund Balance, beginning of year	\$ 1,424,527,522	\$ 43,149,597	\$ 157,614,815	\$ 169,142,550
Program Revenues:				
Receipts from Dept. of Lands	12,061,571	1,235,715	38,783	21,833
Income from Investments	37,553,533	1,137,514	4,065,426	4,248,056
Total Program Revenue	49,615,104	2,373,229	4,104,209	4,269,889
Transfer to Earnings Reserve	-	-	-	-
Transfer from Earnings Reserve	66,675,000	2,881,000	18,231,000	11,196,000
Increase in Fund Balance	116,290,104	5,254,229	22,335,209	15,465,889
Permanent Fund Balance, end of year	1,540,817,626	48,403,826	179,950,024	184,608,439
EARNINGS RESERVE FUND BALANCE				
Earnings Reserve Fund Balance, beginning of year	544,248,763	17,597,430	70,747,919	65,678,483
Program Revenues:				
Receipts from Dept. of Lands	58,364,166	2,112,931	4,535,789	6,475,600
Income from Investments	189,697,006	5,974,276	21,941,524	22,640,934
Total Program Revenues	248,061,172	8,087,207	26,477,313	29,116,534
Program Expenses:				
Dept. of Lands Expenses	20,085,300	425,112	1,569,082	1,653,660
Investment Management Expenses	7,174,206	218,635	814,624	837,993
Distributions to Beneficiaries	63,039,600	1,993,200	7,116,000	7,273,200
Total Program Expenses	90,299,106	2,636,947	9,499,706	9,764,853
Net Program Revenue	157,762,066	5,450,260	16,977,607	19,351,681
Transfer to Permanent Fund	(66,675,000)	(2,881,000)	(18,231,000)	(11,196,000)
Transfer from Permanent Fund	-	-	-	-
Increase/(Decrease) in Fund Balance	91,087,066	2,569,260	(1,253,393)	8,155,681
Earnings Reserve Fund Balance, end of year	635,335,829	20,166,690	69,494,526	73,834,164
TOTAL FUND BALANCE	\$ 2,176,153,455	\$ 68,570,516	\$ 249,444,550	\$ 258,442,603

STATE OF IDAHO ENDOWMENT FUND
SUPPLEMENTARY SCHEDULE OF FUND BALANCE BY ENDOWMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025



Penitentiary	School of Science	State Hospital South	University of Idaho	Capitol	Total
\$ 71,772,004	\$ 147,007,699	\$ 134,363,520	\$ 143,491,442	\$ 41,154,049	\$ 2,332,223,197
-	47,265	8,394	6,129	536,832	13,956,522
1,765,522	3,807,681	3,542,104	3,537,568	4,629,470	64,286,874
1,765,522	3,854,946	3,550,498	3,543,697	5,166,302	78,243,396
-	-	-	-	(1,945,000)	(1,945,000)
5,011,000	10,279,000	5,103,000	14,894,000	-	134,270,000
6,776,522	14,133,946	8,653,498	18,437,697	3,221,302	210,568,396
78,548,526	161,141,645	143,017,018	161,929,139	44,375,351	2,542,791,593
28,270,896	59,872,907	59,535,479	60,917,156	14,910,469	921,779,502
6,120,859	5,110,431	3,311,116	4,381,163	332,380	90,744,435
10,081,235	19,821,728	18,254,585	19,782,217	1,881,559	310,075,064
16,202,094	24,932,159	21,565,701	24,163,380	2,213,939	400,819,499
660,262	1,649,166	1,813,832	1,121,356	178,021	29,155,791
368,058	742,529	687,268	725,218	199,064	11,767,595
3,154,800	6,722,400	7,776,000	6,146,400	250,000	103,471,600
4,183,120	9,114,095	10,277,100	7,992,974	627,085	144,394,986
12,018,974	15,818,064	11,288,601	16,170,406	1,586,854	256,424,513
(5,011,000)	(10,279,000)	(5,103,000)	(14,894,000)	-	(134,270,000)
-	-	-	-	1,945,000	1,945,000
7,007,974	5,539,064	6,185,601	1,276,406	3,531,854	124,099,513
35,278,870	65,411,971	65,721,080	62,193,562	18,442,323	1,045,879,015
\$113,827,396	\$ 226,553,616	\$ 208,738,098	\$ 224,122,701	\$ 62,817,674	\$ 3,588,670,608

**STATE OF IDAHO ENDOWMENT FUND
SUPPLEMENTARY SCHEDULE OF FUND BALANCE BY ENDOWMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**



	Public School	Agricultural College	Charitable Institutions	Normal School
PERMANENT FUND BALANCE				
Permanent Fund Balance, beginning of year	\$ 1,376,650,039	\$ 41,771,619	\$ 149,257,925	\$ 155,967,940
Program Revenues:				
Receipts from Dept. of Lands	2,468,803	145	33,630	30,022
Income from Investments	45,408,680	1,377,833	4,923,260	5,144,589
Total Program Revenue	47,877,483	1,377,978	4,956,890	5,174,611
Transfer to Earnings Reserve	-	-	-	-
Transfer from Earnings Reserve	-	-	3,400,000	8,000,000
Increase in Fund Balance	47,877,483	1,377,978	8,356,890	13,174,611
Permanent Fund Balance, end of year	1,424,527,521	43,149,597	157,614,815	169,142,550
EARNINGS RESERVE FUND BALANCE				
Earnings Reserve Fund Balance, beginning of year	405,236,027	13,904,999	53,212,934	58,911,356
Program Revenues:				
Receipts from Dept. of Lands	58,700,920	1,058,497	10,487,942	3,169,341
Income from Investments	170,066,552	5,245,920	19,929,690	20,494,947
Total Program Revenues	228,767,472	6,304,417	30,417,632	23,664,288
Program Expenses:				
Dept. of Lands Expenses	21,438,451	478,463	1,706,612	1,528,153
Investment Management Expenses	6,784,085	206,023	768,035	800,308
Distributions to Beneficiaries	61,532,200	1,927,500	7,008,000	6,568,700
Total Program Expenses	89,754,736	2,611,986	9,482,647	8,897,161
Net Program Revenue	139,012,736	3,692,431	20,934,985	14,767,127
Transfer to Permanent Fund	-	-	(3,400,000)	(8,000,000)
Transfer from Permanent Fund	-	-	-	-
Increase/(Decrease) in Fund Balance	139,012,736	3,692,431	17,534,985	6,767,127
Earnings Reserve Fund Balance, end of year	544,248,763	17,597,430	70,747,919	65,678,483
TOTAL FUND BALANCE	\$ 1,968,776,284	\$ 60,747,026	\$ 228,362,734	\$ 234,821,034

STATE OF IDAHO ENDOWMENT FUND
SUPPLEMENTARY SCHEDULE OF FUND BALANCE BY ENDOWMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024



Penitentiary	School of Science	State Hospital South	University of Idaho	Capitol	Total
\$ 64,832,799	\$ 139,797,307	\$ 130,067,845	\$ 129,899,601	\$ 38,432,026	\$ 2,226,677,101
701	29,191	5,398	7,114	91,344	2,666,347
2,138,504	4,611,201	4,290,276	4,284,727	4,502,279	76,681,349
2,139,205	4,640,392	4,295,674	4,291,841	4,593,623	79,347,697
-	-	-	-	(1,871,600)	(1,871,600)
4,800,000	2,570,000	-	9,300,000	-	28,070,000
6,939,205	7,210,392	4,295,674	13,591,841	2,722,023	105,546,097
71,772,004	147,007,699	134,363,520	143,491,442	41,154,049	2,332,223,197
26,876,292	49,626,916	48,054,848	52,330,156	11,771,466	719,924,994
1,613,877	4,281,940	4,353,911	7,747,709	292,100	91,706,237
8,795,525	17,978,972	16,884,341	17,940,360	1,587,493	278,923,800
10,409,402	22,260,912	21,238,252	25,688,069	1,879,593	370,630,037
732,397	2,066,332	1,509,192	1,236,684	175,119	30,871,403
342,801	705,889	662,029	684,484	187,071	11,140,725
3,139,600	6,672,700	7,586,400	5,879,900	250,000	100,565,000
4,214,798	9,444,921	9,757,621	7,801,069	612,190	142,577,128
6,194,604	12,815,991	11,480,631	17,887,001	1,267,403	228,052,909
(4,800,000)	(2,570,000)	-	(9,300,000)	-	(28,070,000)
-	-	-	-	1,871,600	1,871,600
1,394,604	10,245,991	11,480,631	8,587,001	3,139,003	201,854,509
28,270,896	59,872,907	59,535,479	60,917,156	14,910,469	921,779,502
\$100,042,900	\$ 206,880,606	\$ 193,898,998	\$ 204,408,598	\$ 56,064,518	\$ 3,254,002,699



Other Information

**STATE OF IDAHO ENDOWMENT FUNDS
SCHEDULE OF THE GAIN BENCHMARK
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**



<i>Endowment</i>	<i>Fiscal Year</i>	<i>Beginning Benchmark</i>	<i>Deposits</i>	<i>Reinvested Income</i>	<i>Inflation Impact</i>	<i>Ending Benchmark</i>
Public School	2001-2024	555,954,750	118,569,753	207,877,000	542,126,019	1,424,527,522
	2025	1,424,527,522	12,061,571	-	37,553,533	1,474,142,626
Agricultural College	2001-2024	14,787,041	155,727	12,643,000	15,563,829	43,149,597
	2025	43,149,597	1,235,715	-	1,137,514	45,522,826
Charitable Institutions	2001-2024	54,513,960	466,959	42,134,000	57,099,896	154,214,815
	2025	154,214,815	38,783	-	4,065,426	158,319,024
Normal School	2001-2024	47,258,942	31,751,733	28,656,000	53,475,876	161,142,551
	2025	161,142,551	21,833	-	4,248,056	165,412,440
Penitentiary	2001-2024	18,258,289	36,910	26,203,000	22,473,805	66,972,004
	2025	66,972,004	-	-	1,765,522	68,737,526
School of Science	2001-2024	54,836,451	507,977	34,732,000	54,361,271	144,437,699
	2025	144,437,699	47,265	-	3,807,681	148,292,645
State Hospital South	2001-2024	23,442,162	34,423,075	37,197,000	39,301,282	134,363,519
	2025	134,363,519	8,394	-	3,542,104	137,914,017
University	2001-2024	42,442,536	6,291,507	39,170,000	46,287,399	134,191,442
	2025	134,191,442	6,129	-	3,537,568	137,735,139

The EFIB Board approved excluding the fiscal year 2025 and 2024 amounts transferred from the Earnings Reserve Fund to the Permanent Fund of \$134,270,000 and \$28,070,000, respectively, from the gain benchmark calculation.

**STATE OF IDAHO ENDOWMENT FUNDS
SCHEDULE OF THE GAIN BENCHMARK
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**



<i>Endowment</i>	<i>Fiscal Year</i>	<i>Beginning Benchmark</i>	<i>Deposits</i>	<i>Reinvested Income</i>	<i>Inflation Impact</i>	<i>Ending Benchmark</i>
Public School	2001-2023	555,954,750	116,100,950	207,877,000	496,717,339	1,376,650,039
	2024	1,376,650,039	2,468,803	-	45,408,680	1,424,527,522
Agricultural College	2001-2023	14,787,041	155,582	12,643,000	14,185,996	41,771,619
	2024	41,771,619	145	-	1,377,833	43,149,597
Charitable Institutions	2001-2023	54,513,960	433,329	42,134,000	52,176,636	149,257,925
	2024	149,257,925	33,630	-	4,923,260	154,214,815
Normal School	2001-2023	47,258,942	31,721,711	28,656,000	48,331,287	155,967,940
	2024	155,967,940	30,022	-	5,144,589	161,142,551
Penitentiary	2001-2023	18,258,289	36,209	26,203,000	20,335,301	64,832,799
	2024	64,832,799	701	-	2,138,504	66,972,004
School of Science	2001-2023	54,836,451	478,786	34,732,000	49,750,070	139,797,307
	2024	139,797,307	29,191	-	4,611,201	144,437,699
State Hospital South	2001-2023	23,442,162	34,417,677	37,197,000	35,011,006	130,067,845
	2024	130,067,845	5,398	-	4,290,276	134,363,519
University	2001-2023	42,442,536	6,284,393	39,170,000	42,002,672	129,899,601
	2024	129,899,601	7,114	-	4,284,727	134,191,442



Independent Accountant's Report

Idaho Department of Lands
Boise, Idaho

We have performed the procedures enumerated below, on the revenue and expense allocation procedures of Idaho Department of Lands for the year ended June 30, 2025. Idaho Department of Lands' management is responsible for the revenue and expense allocation methodology for the year ended June 30, 2025.

Idaho Department of Lands has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the revenue and expense allocation procedures of Idaho Department of Lands for the year ended June 30, 2025. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

Procedures

1. Revenues: Obtain the Idaho Department of Lands 'Income Statement Endowment Trust Lands' (IDL Income Statement) and the 'COGNOS – Income Statement – Revenues' report and perform the following for the year ended June 30, 2025:
 - a. Agree revenue in total by each of the nine endowments per the 'COGNOS – Income Statement – Revenues' report to the IDL Income Statement.
 - b. Recalculate the allocation of the nine asset activities to the seven asset classes per the methodology outlined in the "Endowment Lands Income Statement Methodology" Document dated June 30, 2025 for revenues.
 - c. Agree revenues in total for each of the recalculated seven asset classes to the IDL Income Statement.

Findings

1. No exceptions were found as a result of applying the procedures.

Procedures

2. Project Expense: Obtain the 'COGNOS – Expense Report' which includes the Business Services, Forest Resources, and Trust Lands expenditures and project codes in an Excel workbook.
Perform the following for the year ended June 30, 2025:
 - a. Agree project expenses in total by each of the nine endowments per the above reports to the IDL Income Statement.
 - b. Recalculate the allocation of the nine asset activities to the seven asset classes per the methodology included in the "Endowment Lands Income Statement Methodology" document dated June 30, 2025 for project expenses.
 - c. Agree project expenses in total for each of the recalculated seven asset classes to the IDL Income Statement.
 - d. Obtain listing of projects with transactions recorded to the project expense during the year ended June 30, 2025, and agree total to project expense on IDL Income Statement for the year ended June 30, 2025.
 - i. Obtain defined project allocation percentages for each project selected and recalculate recorded allocation of respective endowments.
 - ii. Report any discrepancies.

Findings

2. No exceptions were found as a result of applying the procedures.

Procedures

3. Non-Project Expense: Obtain the 'COGNOS – Expense Report' and perform the following for the year ended June 30, 2025:
 - a. Recalculate the allocation of the nine asset activities to the seven asset classes per the methodology outlined in the "Endowment Lands Income Statement Methodology" document dated June 30, 2025 for indirect expenses.
 - b. Agree non-project expenses in total for each of the recalculated seven asset classes to the IDL Income Statement.
 - c. Recalculate the allocation of the total non-project expenses by asset class to each of the nine endowments based on the methodology included in the "Endowment Lands Income Statement Methodology" Document dated June 30, 2025 for direct expenses.
 - d. Agree non-project expenses by endowment for each of the recalculated nine endowments to the IDL Income Statement.

Findings

3. No exceptions were found as a result of applying the procedures.

Procedures

4. Overhead: Obtain the 'COGNOS – Expense Report' and perform the following for the year ended June 30, 2025:
 - a. Agree total overhead to the 'COGNOS – Expense Report' to the IDL Income Statement.

- b. Recalculate the allocation of the total overhead expenses to each of the nine endowments and each of the seven asset classes based on the methodology included in the "Endowment Lands Income Statement Methodology" document dated June 30, 2025 for overhead.

Findings

4. No exceptions were found as a result of applying the procedures.

We were engaged by Idaho Department of Lands to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the allocation methodology of Idaho Department of Lands for the year ended June 30, 2025.

Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Idaho Department of Lands and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Idaho Department of Lands and the Idaho Endowment Fund Investment Board and is not intended to be and should not be used by anyone other than these specified parties.



Boise, Idaho
August 19, 2025