

Agency 032 - BOARD OF EDUCATIONAL LANDS & FUNDS

STATUTORY AUTHORITY:

The current School Trust (now the Board of Educational Lands and Funds) was created by the Federal Enabling Act of 1864, and the land grants were made in trust for the support of the common schools when Nebraska became a state in 1867. Provisions in the Nebraska Constitution are contained in Article III, Sec. 20 and Sec. 21; Article VII, Sec. 6 and Sec. 7; and Article VIII, Sec. 8 and Sec. 9. Nebraska Statutory Authority is found in 72-201 through 72-269; 72-301 through 72-314; and 72-901 through 72-912. Program 582.

Secs. 84-407 to 84-415, Neb. Rev. Stat. (Reissue 1981) provide the authority and defines the duties of the State Surveyor (program 529-00), the Survey Record Repository (Program 529-01) and the Surveyors' Cash Fund for disputed survey settlement (Program 544).

VISION:

The Nebraska Supreme Court stated that the School Trust is a "sacred trust" required by the exercise of the fiduciary duty required of all trustees to maximize its income and preserve its assets for the benefit of the trust beneficiaries - the K-12 public school students. To fulfill this goal the Trust is constantly attempting to increase net revenues while managing its land assets in a manner that will result in appreciation. It is the goal of the Trust to administer the Trust in a manner that will result in a total return (revenue and capital appreciation) that will exceed investment returns from non-land assets such as stocks and bonds. The management of the Trust by its Trustees has fulfilled these goals over the last two decades.

MISSION AND PRINCIPLES:

Subject to a strict fiduciary duty toward our beneficiaries - the Nebraska K-12 public school children, the School Trust's primary objectives are:

1. Maximize the net income of the Trust for our beneficiaries. This involves continuing to increase agricultural lease income through employing high standards of land management, and seeking and developing new sources of revenue.
2. Avoiding depletion of our land resources through careful stewardship of the land and employment of well-accepted conservation practices.
3. Maintain a fair and positive relationship with our Lessees. We will continue to respond promptly to requests for information and practice fair dealing in all matters involving our Lessees, while being mindful that our primary obligation is to our Trust's beneficiaries.

GOALS:

1. Create an atmosphere that encourages the development of innovative ideas from all employees.
2. Be open and cooperative with everyone who contacts Agency.
3. Respond to all requests in a timely manner.
4. Continue to pursue beneficial legislation.
5. Increase public awareness.
6. Avoid staff turnover.
7. Continue to examine ways to reduce costs consistent with our mission.
8. Increase revenue through new sources of income.

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Financial Data

	FY12 Actual	FY13 Approp	FY14 Request	FY14 Recomm	FY15 Request	FY15 Recomm
Operations Funding						
General Fund	303,451	310,575	310,575	315,828	310,575	321,199
Cash Fund	11,314,300	11,597,987	14,042,305	14,077,881	14,776,324	14,849,035
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	11,617,751	11,908,562	14,352,880	14,393,709	15,086,899	15,170,234
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	0	0	0	0	0	0
Total Funding						
General Fund	303,451	310,575	310,575	315,828	310,575	321,199
Cash Fund	11,314,300	11,597,987	14,042,305	14,077,881	14,776,324	14,849,035
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	11,617,751	11,908,562	14,352,880	14,393,709	15,086,899	15,170,234

Agency 032 - BOARD OF EDUCATIONAL LANDS & FUNDS

Program 529 - LAND SURVEYS

PROGRAM DESCRIPTION:

Secs. 84-407 to 84-415, Neb. Rev. Stat. provide the authority and define the duties of the State Surveyor (program 529-00), the Survey Record Repository (Program 529-01) and the Surveyors' Cash Fund for disputed survey settlement (Program 544).

PROGRAM OBJECTIVES:

The primary objective of the State Surveyor's Office will remain the effective and efficient performance of assigned missions and duties.

PERFORMANCE MEASURES:

Performance is measured through duties assigned by the Board of Educational Lands and Funds in addition to the operation of the Survey Record Repository and fulfilling research and information requests from the public. All maps, plats and notes on file in the office are available via the Internet providing an efficient means of disseminating information to the public.

Agency 032 - BOARD OF EDUCATIONAL LANDS & FUNDS
Program 529 - LAND SURVEYS

Financial Data

	FY12 Actual	FY13 Approp	FY14 Request	FY14 Recomm	FY15 Request	FY15 Recomm
Operations Funding						
General Fund	303,451	310,575	310,575	315,828	310,575	321,199
Cash Fund	14,143	22,339	22,339	22,558	22,339	22,781
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	317,594	332,914	332,914	338,386	332,914	343,980
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	0	0	0	0	0	0
Total Funding						
General Fund	303,451	310,575	310,575	315,828	310,575	321,199
Cash Fund	14,143	22,339	22,339	22,558	22,339	22,781
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	317,594	332,914	332,914	338,386	332,914	343,980

Agency 032 - BOARD OF EDUCATIONAL LANDS & FUNDS
Program 554 - DISPUTED SURVEY SETTLEMENTS

PROGRAM DESCRIPTION:

The Surveyor's Cash Fund (see Sec. 84-409) was created to pay the expenses of the State Surveyor or deputy surveyors when performing disputed surveys.

PROGRAM OBJECTIVES:

Perform disputed surveys as assigned. Resolve disputes between owners of land for or by reason of any survey of boundaries of lands within the state, or in case of a dispute or disagreement between surveyors as to said surveys or boundaries.

PERFORMANCE MEASURES:

The activity of this program is determined by the number of requests for disputed surveys and the extent and complexity of the individual surveys in dispute.

Agency 032 - BOARD OF EDUCATIONAL LANDS & FUNDS
Program 554 - DISPUTED SURVEY SETTLEMENTS

Financial Data

	FY12 Actual	FY13 Approp	FY14 Request	FY14 Recomm	FY15 Request	FY15 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	65	20,483	20,483	20,483	20,483	20,483
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	65	20,483	20,483	20,483	20,483	20,483
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	0	0	0	0	0	0
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	65	20,483	20,483	20,483	20,483	20,483
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	65	20,483	20,483	20,483	20,483	20,483

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Program 582 - SCHOOL LAND TRUST

PROGRAM DESCRIPTION:

The Board manages about 3,100 individual properties, all of which are leased on a cash rent basis. Lease sales and land sales are all conducted at public auction after public notices have been published. Rents are set by a sophisticated method which classifies each acre based on such factors as soil type, land use, location and comparable private lease rentals in the area. Rents can be adjusted at any time during the lease, and often lease bonuses are paid by bidders to obtain the right to lease the land. This system is managed by nine Field Representatives located throughout the State, two Noxious Weed Specialists, ten Office Staff, including the CEO / Executive Secretary, all of which are full-time FTEs and .48 FTE of the Geodetic Mapping Specialist from the State Surveyors Office. 582 has 4 divisions.

PROGRAM OBJECTIVES:

1. Maximize the net income of the Trust for our beneficiaries. This involves continuing to increase agricultural lease income through employing high standards of land management, and seeking and developing new sources of revenue.
2. Avoiding depletion of our land resources through careful stewardship of the land and employment of well-accepted conservation practices. By doing so, we will be able to place the Trust in the best possible position to continue the historical trend of a steady increase in the value of our land.
3. Maintain a fair and positive relationship with our Lessees. We will continue to respond promptly to requests for information and practice fair dealing in all matters involving our Lessees, while being mindful that our primary obligation is to our Trust's beneficiaries.

PERFORMANCE MEASURES:

Inputs: The Trust currently employs 9 Field Representatives, 2 Weed and Cedar Eradication Specialists, and 10 Staff (including CEO). No replacement was hired for 1 Field Rep who retired March 2012. 1 Lincoln Staff member plans to retire in the next 2 years and will not be replaced. The existing field and office staff has been intact for many years and this experience accounts for a highly efficient organization. In summary, we plan to use the same or less personnel to accomplish increased revenue for the Trust.

Outputs: It is anticipated that agricultural rental revenues will continue to increase over the next four fiscal years. Rents will also continue to rise from non-ag sources of revenue (wind, minerals).

Efficiency-Cost of Labor: See above.

Outcomes/Results: See attached.

Agency 032 - BOARD OF EDUCATIONAL LANDS & FUNDS
Program 582 - SCHOOL LAND TRUST

Financial Data

	FY12 Actual	FY13 Approp	FY14 Request	FY14 Recomm	FY15 Request	FY15 Recomm
Operations Funding						
General Fund	0	0	0	0	0	0
Cash Fund	11,300,092	11,555,165	13,999,483	14,034,840	14,733,502	14,805,771
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Operations	11,300,092	11,555,165	13,999,483	14,034,840	14,733,502	14,805,771
Aid Funding						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Aid Funding	0	0	0	0	0	0
Total Funding						
General Fund	0	0	0	0	0	0
Cash Fund	11,300,092	11,555,165	13,999,483	14,034,840	14,733,502	14,805,771
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Program	11,300,092	11,555,165	13,999,483	14,034,840	14,733,502	14,805,771