

# FUND AND BENEFICIARY SUMMARY

## Common Schools Public K-12 Education

Public education is by far the largest beneficiary of Trust land managed by the Department. Congress granted two sections of each township to common schools when Arizona became a territory and another two sections when Arizona became a state. The State was able to select federal lands equal to the sections that could not be granted due to the establishment of federal forests, parks and Indian reservations. Today, approximately 8 million acres remain in the Trust for common schools.

In FY 2014, \$81.5 million from sales and royalties was deposited into the Permanent Fund for common schools .

In FY 2014, \$125 million was generated in expendable receipts. According to A.R.S. § 37-521 B, expendable receipts are distributed first to the School Facilities Board for revenue bonds, second to the New School Facilities Fund, if appropriated, third for basic state aid, and fourth, any receipts in excess of \$72.3 million are deposited into the Classroom Site Fund, which is used for teacher raises, classroom size reduction and dropout prevention programs.

### COMMON SCHOOLS

Acres and Income FY 2014

| Surface Leases                   | Acres            | Income                |
|----------------------------------|------------------|-----------------------|
| Agriculture                      | 110,367          | \$ 2,921,718          |
| Commercial                       | 15,502           | \$ 18,990,151         |
| Grazing                          | 7,361,382        | \$ 2,628,816          |
| Homesite                         | 6                | \$ 3,612              |
| Rights of Way                    | 93,681           | \$ 3,763,658          |
| Use Permits                      | 446,031          | \$ 3,157,294          |
| Public Education                 | 0                | \$ -                  |
| Institutional Taking             | 5,406            | \$ 325,351            |
| U.S. Government                  | 17,438           | \$ 242,485            |
| Other                            | 0                | \$ 14,964,800         |
| <b>Total Surface</b>             | <b>8,049,813</b> | <b>\$ 46,997,885</b>  |
| <b>Subsurface Leases</b>         |                  |                       |
| Mineral                          | 9,685            | \$ 62,933             |
| Prospecting Permit               | 247,169          | \$ 1,082,556          |
| Mineral Material                 | 1,020            | \$ 116,144            |
| Oil & Gas                        | 741,673          | \$ 1,113,481          |
| <b>Total Subsurface</b>          | <b>999,547</b>   | <b>\$ 2,375,115</b>   |
| Penalty & Interest               |                  | \$ 154,433            |
| Sales Interest                   |                  | \$ 7,817,385          |
| School Leases                    |                  | \$ -                  |
| Treasurer's Formula Distribution |                  | \$ 67,781,808         |
| <b>Grand Total Expendable</b>    |                  | <b>\$ 125,126,626</b> |
| Permanent Fund Receipts          |                  | \$ 81,569,820         |
| Permanent Fund (Book)            |                  | \$ 2,714,996,000      |

