



OFFICE OF THE
Arizona State Treasurer



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ENDOWMENT PAYMENTS TO ARIZONA SCHOOLS INCREASING BY MILLIONS

PHOENIX – Arizona Treasurer Eileen I. Klein announced today the first monthly distribution for FY 2019 from the Permanent Land Endowment Trust Fund (PLETF) to K-12 schools has been set aside for payment and better investment performance has resulted in larger payouts. The increased payments are a product of greater portfolio market value; not Prop 123 which increased the percentage of distributions to schools.

With portfolio market value up, each of the 12 payments for new FY 2019 is estimated to be \$2.2 Million more than the same payments for FY 2018; an 8.97% payment increase and a total annual distribution increase of \$26.5 Million.

“Arizona public schools are getting about \$2 Million more per month compared to last year thanks largely to the strategy of our investment team, including our Director of Endowments, Tim White, who’s been with the Treasury a quarter century,” said Treasurer Klein. “Through our patient, secure investment approach, we’ve succeeded in growing value and I’m happy to announce schools will benefit by getting larger payments this fiscal year, the first payment is now in process,” she added.

PLETF performance, along with all other Treasury investment activity, will be discussed at this month’s State Board of Investment meeting on July 31. The meeting starts at 1:30pm at the Treasury Office and is open to the public.

BACKGROUND:

The Treasurer manages and invests the proceeds of Trust Land sales designated for public schools in the PLETF and makes monthly distributions to schools based on a 5-year market value formula. The PLETF has approximately \$6 Billion in market value covering 13 separate beneficiaries; public schools being the largest. State law requires the Treasury to sets aside school distributions on the 15th business day of the month and make the payments on the first of the following month.

About the Arizona Office of the State Treasurer

The State Treasurer is responsible for state banking duties, and investment management for state agencies, local governments, and public schools. The Treasury has approximately \$15 Billion under management.