The Board of Trustees

Of the

School and Institutional Trust Lands Administration

New Policy

Policy Statement No. 2014-01 *Subject: Inter-beneficiary Loans*

The Board of Trustees of the School and Institutional Trust Lands Administration (the "Board") met in open, public session on 15 May 2014, and by majority vote declares the following to be an official policy of the Board on inter-beneficiary loans for development projects.

- Utah Code § 53C-3-102 requires that at the end of each fiscal year, all money received by the Administration be paid to the State Treasurer, allocated by beneficiary, and that the source of funds shall be classified as to sales, rentals, royalties, interests, fees, penalties, and forfeitures.
- Any inter-beneficiary loan that extends past a fiscal year end must:
  - involve consultation with the respective beneficiary representative(s) prior to seeking board approval; and
  - be approved by a majority vote of the Board.
- Requests for Board approval must include at least the following: (a) the amount of the loan; (b) the length of the loan; (c) the interest rate for the loan; (d) the repayment terms; and (e) whether security will be required and, if so, the adequacy of any security offered.
- Typically, inter-beneficiary loans should be repaid in the same fiscal year in which they are issued.

BY THE BOARD:

Steven B. Ostler, Chairman