



Sarah Godlewski, *Secretary of State*
John Leiber, *State Treasurer*
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Thomas P. German, *Executive Secretary*

AGENDA

November 4, 2025

2:00 P.M.

Board of Commissioners of Public Lands
101 E. Wilson Street, 2nd Floor
Madison, Wisconsin

Routine Business:

1. Call to Order
2. Approve Minutes – October 21, 2025 (Attachment)
3. Approve Loans

New Business:

4. None

Routine Business:

5. Chief Investment Officer's Report – Quarterly Investment Report
6. Executive Secretary's Report
7. Board Chair's Report
8. Future Agenda Items

Old Business:

9. Normal School Fund, UW Distribution
10. Submerged Logging
11. New Executive Secretary Recruitment
 - 11(a). Closed Session pursuant to Wis. Statute Section 19.85(1)(c)
 - 11(b). Reconvene in Open Session immediately following closed session
12. Budget provision regarding Milwaukee County Fines and Forfeitures
 - 12(a). Closed Session pursuant to Wis. Statute Section 19.85(1)(g)
 - 12(b). Reconvene in Open Session immediately following closed session
 - 12(c). Potential vote on course of action regarding Milwaukee County Fines and Forfeitures
13. Adjourn

AUDIO ACCESS INFORMATION

Conference Line Number: 608-571-2209
Conf ID Code: 207 822 241#

Board Meeting Minutes
October 21, 2025

Present were:

Sarah Godlewski, Board Chair
John Leiber, Commissioner
Josh Kaul, Commissioner
Nicole Pegram, Deputy Chief of Staff
Tom German, Executive Secretary
Rich Sneider, Chief Investment Officer
Denise Nechvatal, Controller
Chuck Failing, IT Manager
Thuy Nguyen, Office Manager

Secretary of State
State Treasurer
Attorney General
Secretary of State
Board of Commissioners of Public Lands
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ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:01 p.m.

ITEM 2. APPROVE MINUTES (October 7th board meeting)

MOTION: Commissioner Leiber moved to approve the loans; Commissioner Kaul seconded the motion.

DISCUSSION: None

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

MOTION: Board Chair Godlewski moved to approve the loans; Commissioner Leiber seconded the motion.

DISCUSSION: Executive Secretary German shared that the Westboro Sanitary District #1 is borrowing to replace some of its waterlines and valves. Sanitary districts are a special type of municipal organization in the state of Wisconsin. Towns can have a separate entity that provides certain water services to either the whole town or a portion of the town. This separate entity has the authority to borrow on their own behalf, but Sanitary Districts tend to be small. They tend to service areas that have lower income residents and they are heavily dependent upon the State Trust Fund Loan Program to provide that financing. Unlike other municipalities, sanitary districts almost never have paid employees. Those that staff the sanitary district are doing so on a volunteer basis.

VOTE: The motion to approve the loans passed 3-0.

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$150,000.00** in State Trust Fund Loans to support 1 community projects in Wisconsin.

Westboro Sanitary District #1 / Taylor County / Finance water line and valve replacement / \$150,000.00

ITEM 4. NORMAL SCHOOL FUND DISCUSSION

Executive Secretary German reported on the Normal School Fund (NSF) distributions. BCPL manages four trust funds for the benefit of public education. One of those funds is the Normal School Fund. Years ago, this fund benefited 'normal schools' which became known as teacher colleges. Since 2009, when this fund began generating distributable income, the earnings have benefited the UW System. This change was done at the behest of BCPL as we made the case to the legislature that the UW System is the successor in interest to the previous 'normal schools'. The authorized uses of the funds are spelled out in Wis. Stats. 36.49.

The disbursement from the NSF money goes through a distribution waterfall for its intended purposes at the UW.

- 1) \$100,000 is to be spent on people enrolled in a program leading to a certificate or bachelor's degree in environmental studies at the Nelson Institute.
- 2) \$100,000 goes to students enrolled in a sustainable management degree program.
- 3) \$300,000 goes to UW-Stevens Point for environmental programs
- 4) The remaining funds go to fund Wisconsin Merit Scholarships.

For years we have asked the UW for more transparency on how the money is utilized and unfortunately most of our requests have been unfilled.

This past year BCPL distributed a record \$1.8 million to the UW. Since 2009, distributions have grown from zero to \$1.8 million. According to the state accounting system, the UW has only spent \$691,551.37 this past year. This includes \$363,436 in grants and aids to individuals and organizations. Of the money delivered by BCPL, \$1.5 million was earmarked for scholarships. The UW provided some documentation on their scheduled allocations for scholarships, and a spokesman for the UW indicated that the actual scholarships given out matched the allocations. However we have not received any documentation for the difference between what was reported on the State's comprehensive financial report and what the UW claims it distributed. This is a sizeable difference. Secretary German will continue to press the UW for more transparency because it is important for BCPL as trust managers to know the funds are being used properly. Secretary German did not request any board action at this time. He was providing the update for informational purposes.

Board Chair Godlewski asked if there is a way to verify the numbers from the STAR accounting system, which shows \$691,000, with what the UW is saying. Is there a way to help rectify that?

Executive Secretary replied that it is what he is trying to verify.

Board Chair Godlewski commented that the first step is to request documentation because it's our responsibility based on statute that we provide a distribution that is being allocated properly. It appears that the UW spent less than half of the distribution this past fiscal year. The NSF will continue to grow and these distributions will grow as well. We want to have a process in place regarding transparency and accountability to what the funds are being used for.

Commissioner Leiber asked if the UW's spending of the distribution has ever been audited since 2009.

Executive Secretary German replied, to the best of his knowledge, no.

Commissioner Kaul asked Secretary German to recap the relevant statutes. He added that he has no problem with asking for information and follow up but on the other hand, BCPL is neither an auditing agency nor is it staffed to oversee grant management. Who is responsible for management of these funds and how is that set up or is that just not addressed?

Executive Secretary German responded that he is not aware of a specific statute that directs who would audit the spending of these funds. The Legislative Audit Bureau would likely be the entity that would undertake something like that. The statute that describes the distribution waterfall is Wis. Stats. 36.49. This statute refers to the section of the budget and the appropriation line the UW has for receiving NSF money. We have not received much in

terms of documentation and Secretary German has not had a long time to work with the UW on this. He discovered this issue the middle of last week. Thursday he received a call back from the UW so we're only a couple days past that.

Board Chair Godlewski reiterated that we've been talking to the UW about this for at least four years, if not longer. How can we ensure transparency and accountability from a communications perspective? Before jumping to larger and more complex action, we need to ask the UW about the discrepancy regarding the distribution waterfall stack distributed to them in accordance with 36.49.

Commissioner Kaul agreed that having staff follow up and assess what the situation looks like makes sense. He asked if Secretary German speaks to the university regularly. Do we have any sense of how things have been going with this or are those conversations we need to renew?

Executive Secretary German replied that those conversations have been going on for quite a while. He described the conversations more as pleading on the behalf of BCPL to provide more documentation and transparency. Our mission is to manage trust assets for the benefit of public education. We ask for that transparency because as staff at BCPL, we go about our jobs because we believe we're making a positive difference in public education in Wisconsin. When we talk about the Common School Fund, we talk about the books, iPads, computers and the hot spots that allowed kids to continue their education funded by the money provided throughout the state during the pandemic. When we talk about the Normal School Fund, we talk about the scholarships we're supposedly funding. All of a sudden we're seeing a discrepancy between the money we generated and the actual impact it has on students' lives. That is why we need to see more transparency on how the money is being used.

Board Chair Godlewski shared that since she became board chair in 2019, she has met at least annually with Secretary German, to check in on some of these requests. The UW has had some leadership and staff changes. Two years ago, there were some leadership changes so we were working to re-educate people and get everybody on the same page. This is not something new or out of the blue.

Executive Secretary German stated that he would take the commissioners comments as informal encouragement to keep asking for better answers on this topic.

Board Chair Godlewski and the commissioners agree that we should explicitly ask the UW for information/documentation about how the funds were spent. Looking at statute 36.49 would be helpful in our discussion at the next board meeting.

Commissioner Kaul added that he wouldn't frame it in terms of documentation necessarily. We need to get an understanding of how they're using the funds and documentation may be the answer, however, we may run into restrictions in terms of what kind of information the UW can provide about the students receiving scholarships. That quickly gets into personal information. However, information about the number of scholarships or the amount would be pretty simple.

Board Chair Godlewski acknowledged that we might not receive personal information but she believes documentation is important. Accounting information would be helpful. The scholarships are \$5000 each. If we're giving the UW \$1.8 million, it would be helpful to know the specific number of students that are receiving scholarships. She reiterated that unfortunately, the discrepancy is that the state system shows they've only spent \$691,000 of what we've distributed.

Commissioner Kaul asked what documentation we are looking for. He is unsure if UW can provide the names of scholarship recipients.

Executive Secretary German explained that there has to be some kind of documentation at the UW that the money was actually spent on these issues. How can you have this discrepancy? The number came from the UW to the state indicating a total of \$691,000 was spent. He would like documentation of any kind from the UW supporting whatever the real number is. He has only received a schedule from the UW that appears to be looking more into

the future - their projection. We have no idea what the amount was that was actually awarded or granted, or was it awarded to people that ultimately chose not to go to the UW? The discrepancy is too big. If we were talking about a difference of \$100,000, it's 20 scholarships that somehow didn't get made. But we're talking about a discrepancy of some magnitude.

Board Chair Godlewski provided additional detail about the meetings with the UW over the years. Part of the conversation was about who the students were that received the scholarships so we could inform them the scholarship money actually comes from BCPL. There was agreement this was something important to communicate. The Nelson Institute and UW-Stevens Point share information with us on who the recipients are. In the past, she has met with some of the scholarship recipients and got to see the results of those awards. These are smaller sections of the distribution waterfall. The largest part of the UW distribution for merit scholarships does not appear to have accountability or transparency despite discussions about this discrepancy. Some more clarification from the UW would be very helpful.

Executive Secretary German stated for the record that UW-Stevens Point and the Nelson Institute have done a great job of being transparent. The Nelson Institute tells all their scholarship awardees where the money comes from. He does not have concerns about those two places.

Commissioner Kaul stated we should figure out what the cause of the discrepancy is. A good example to provide the UW with is UW-Stevens Point. It would be good to be more specific with our request, whether it's how many people accepted the scholarships versus how many didn't end up going to UW or confirming the number that were given out.

ITEM 5. CHIEF INVESTMENT OFFICER'S REPORT

None

ITEM 6. EXECUTIVE SECRETARY'S REPORT

Executive Secretary German shared that BCPL staff got together to meet last week to talk about ways we could make sure the transition goes more smoothly in terms of ways we can better document procedures to make it easier for the next executive secretary. It was a great time to reconnect as staff. He appreciated everyone's efforts in having thoughtful communication.

ITEM 7. BOARD CHAIR'S REPORT & ITEM 9. NEW EXECUTIVE SECRETARY RECRUITMENT

Board Chair Godlewski asked permission to provide her report and discussion regarding the recruitment of the new Executive Secretary together. Commissioners Kaul and Leiber agreed.

Board Chair Godlewski shared an update on the Executive Secretary recruitment. She thanked the board for their feedback. The job posting was uploaded last Tuesday. As of 1:30 today, we have eight applicants. She will review the quality of the applicants based on the competencies that were discussed.

There are two additional updates related to the timeline. First, regarding the transition period between Secretary German and the incoming Executive secretary. We cannot have two people appointed to the same role at the same time. Hence, we can't have Secretary German and our new appointee coordinating and working together in the same position.

One thought was having Secretary German transition into the deputy secretary role temporarily while we transition but we cannot do either because Secretary German would then retire at that status which would involve a pay cut.

We are looking into whether an LTE position is possible during the transition. It is likely that the transition will not take place until January 5th to the 12th. We do not want to push the date up and the new transition dates have an impact on the timeline. She will keep the board updated.

Secretary German's sabbatical pay comes out of the agency's current budget. We did ask for approximately \$50,000 in our budget request but it was denied. This money could come out of supplies and services or vacancy savings but unfortunately, we don't have significant vacancy savings and we do not have a significant supplies and services budget. She is working with her team and DOA to find a solution for this.

She shared that Thuy and Nicole worked together to make sure invites were added to the commissioners' calendars for interviews. One change to the timeline is instead of trying to do all the interviews in one day, originally scheduled for November 18th, we are now splitting them up into the morning of November 18th and the afternoon of November 19th. Those times should be reflected on your calendars. This part of the process is flexible and adaptable based on the quality of candidates. Applicant review is scheduled for November 4th. A DOA Human Resources representative will be joining us for that review session. We can share any questions or comments for them then.

Commissioner Kaul shared some feedback and suggestions on the schedule. First, he thanked Board Chair Godlewski for putting together the outline and working to coordinate the recruitment process. He suggested combining the meetings currently scheduled for November 4th and November 11th into a single meeting. We will have the resumes beforehand, so we don't need two separate meetings to do that. Second, if the number of applicants we have doesn't increase significantly, having all of us review them makes sense. If the number gets a lot bigger, he is in support of delegating initial reviews to somebody to narrow down the strongest resumes. For the actual interviews, he is not sure if the new date works for his schedule but 45 minutes per interview is plenty. We could plan on three 45-minute interviews and then a half hour debrief or something like that. That should be more than sufficient. He understands that just having interviews in one morning might make it difficult for applicants so he is open to scheduling individual interviews if that works better. He asked if there is a way to do remote participation in the interviews. He understands the interviews will be done in a closed session and he wants to make sure we have a way to address that if we need to.

Board Chair Godlewski replied that we've done closed sessions remotely before. It's more a question of whether the commissioners want to be in person to meet the candidate or not. She believes it's better to meet in person, but if not, we can be flexible about it. We definitely have the capability to do virtual interviews. If we did all the interviews in one day, it would be easier to do them in person. She agrees with 45 minute interviews. Staff worked together to pick these times so they could be blocked for interviews on our schedules.

Commissioner Kaul clarified that his intention was to follow up after this meeting about scheduling.

Board Chair Godlewski clarified that we can be flexible about scheduling the interviews but we've blocked these times to be prepared.

Commissioner Kaul commented that he'd rather block the time we need rather than twice as much as we need.

Board Chair Godlewski agreed and she will make sure to speak with Nicole and Thuy so we're all on the same page. We already have eight applicants and it's only been a week. That's a good sign. Delegating the review of applicants was good to bring up. She shared that she would be happy, and likely Secretary German would be too, to look through the resumes. She asked Commissioner Leiber how involved he would like to be. Does it make sense to narrow down 5 or 6 candidates to interview?

Commissioner Leiber commented that that would be fine.

Board Chair Godlewski asked Commissioner Leiber if he would like to be involved in this process or would he rather be briefed on the candidates to be interviewed?

Commissioner Leiber shared that he has time and would be happy to be involved. He suggested going through the candidates as a group.

Commissioner Kaul shared that if we have two or more board members doing anything, that's going to create a lot of complications in terms of open meetings, which is fine. You can do it in a noticed closed session meeting. There are benefits to delegating it to somebody, such as Secretary German, then we can take all the recommended resumes, three to five, and then come together and decide whether we want to make any changes or not to that.

Board Chair Godlewski shared that DOA will be giving us access to the applications on the 31st. She and Secretary German can pick the top candidates on November 4th. Executive Secretary German agreed.

Commissioner Leiber asked if Board Chair Godlewski will be providing all the resumes to the other commissioners or just the top candidates.

Board Chair Godlewski replied that the commissioners will access to all the resumes but she and Secretary German will share the candidates they've selected for interview consideration.

Commissioner Leiber agreed. Any issues or objections can be raised at the meeting. Board Chair Godlewski agreed.

Commissioner Kaul commented that if all the resumes are shared, and the recommendations are shared on November 4th, he and Commissioner Leiber can share their recommendations then. Then we can vote on who to interview.

Board Chair Godlewski and Commissioner Leiber agreed.

Board Chair Godlewski agreed with what Commissioner Kaul said earlier that meeting on November 11th may not be needed. That date was added in case we needed to get together for some reason. If we get everything done on the 4th, we should not need that meeting date. Commissioner Kaul stated that makes sense to him.

Board Chair Godlewski shared that the 11th meeting date will kept but if everything goes smoothly we will cancel it.

Executive Secretary German stated he will block time on the 31st.

Commissioner Kaul thanked Board Chair Godlewski again and added he knows there's a lot of thought that goes into this, and it's hard to coordinate these things so thanks for her efforts on this.

Board Chair Godlewski shared that in preparing for the transition, Secretary German has created a folder of materials for the incoming Executive Secretary. One of the documents will be a timeline. It will include everything from budget deadlines to the library aid distribution, NSF distribution, etc. Secretary German added to the list the Nelson Institute celebration when students get recognized.

Board Chair Godlewski added that this timeline document contains a calendar for every month showing the different deadlines and events that are happening.

Executive Secretary German thanked his staff, Chuck, Thuy and Mike, for their work on these materials, which have been a work in progress for several years. However it does not have the ticklers, or when to start thinking about certain things. For the incoming Executive Secretary it's going to take discipline to look a month ahead to see what's coming.

Board Chair Godlewski reiterated the importance of the transition period.

Executive Secretary German spoke about documentation. He has been poked by staff over the years to write memos about certain things. There is a library of these things that can walk the next person through these matters but then there's the final piece which is working with the staff to get them ready for the next Executive Secretary. Mannerisms are going to be different, styles are going to be different. There are some things we need to start changing now to provide more structure on how decision are made so the next person will have an easier pathway. He looks at it as three different components.

Board Chair Godlewski shared that the staff piece is very important. We want to make sure we're communicating effectively with staff so there's no surprises. Staff will help set up the next Executive Secretary for success and will play a big role in that.

Board Chair Godlewski brought up the investment committee and investments. She shared that Mr. Sneider provides quarterly updates on our asset allocation. She asked if the investment committee should take a strategic pause on making commitments to meet our asset allocation during the transition. We want to make sure the person coming in is proficient with complex financial investments. We have a phenomenal team but it would be helpful to know what level of investment experience the new person will be bringing on. The investment committee will be talking about taking a pause at the next meeting.

Commissioner Kaul asked how much of the investment decision making is done by the Executive Secretary versus the others who are part of that process.

Executive Secretary German replied that one of the biggest issues is the Executive Secretary doesn't just run the agency, they act as a significant piece of the back office operations. When Mr. Sneider makes a recommendation, in order to actually execute and manage that investment, we need Denise our Controller, the Chief Financial Officer and the Executive Secretary. If we continue to add more private investment funds, what type of back office support do we have to actually make that happen? We have the smallest back office operation you could imagine for a fund this size. For example, Oklahoma has an operating budget of \$18 million to manage \$3 billion. Our budget is \$1.6 million to manage \$1.5 billion. We are very thinly staffed in the back office part.

Board Chair Godlewski replied that the Executive Secretary does not have unilateral decision making authority with investments. The investment committee votes on investments. That's how the decision making authority works. This is why the position description is heavily weighted in financial acumen and investment acumen because that's going to be critical to the whole life cycle of an investment, from making an investment to the distribution, to the accounting that happens on the back end.

Commissioner Kaul thanked Secretary German and Board Chair Godlewski for their updates. That all makes sense and it seems consistent with the approach you're suggesting.

ITEM 8. FUTURE AGENDA ITEMS

None

ITEM 9. NEW EXECUTIVE SECRETARY RECRUITMENT

See ITEM 7.

ITEM 10: DISCUSSION OF BUDGET PROVISION REGARDING MILWAUKEE COUNTY FINES AND FORFEITURES

MOTION: Board Chair Godlewski made the motion under Section 19.85(1)(g) to transition into closed session, Commissioner Leiber second the motion. Commissioner Kaul abstained.

VOTE: The motion to transition to closed session passed 2-0.

ITEM 11. CLOSED SESSION PURSUANT TO WIS. STATUTE SECTION 19.85(1)(G)

Closed session 2:54 pm-3:26 pm

ITEM 12. RECONVENE IN OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION

Open Session reconvenes at 3:26 pm

ITEM 13. POTENTIAL VOTE ON COURSE OF ACTION REGARDING MILWAUKEE COUNTY FINES AND FORFEITURES

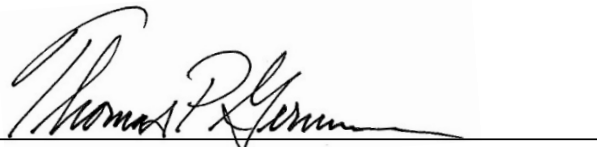
None

ITEM 14. ADJOURN

Commissioner Leiber provided a final update regarding the issue of sunken log permits. He spoke with a legislator recently and that legislator drafted a bill to repeal the section about BCPL's responsibility of proving sunken log permits. The legislator is looking for a Senate lead on his bill. We may need to do some of the legwork to get it moving forward but we might get that section repealed.

Executive Secretary German shared that he had a great discussion with an assistant attorney general on this matter because creating procedures regarding this could potentially fall into the category of rulemaking or regulations. The assistant AG needed a little more time to look into the matter although in his initial review he indicated he didn't think it would be rulemaking or regulation drafting to provide these permits. We need to figure out how to deal with this most recent permit request and then hopefully close the door for future requests.

Commissioner Leiber moved to adjourn the meeting; Commissioner Kaul seconded the motion. The motion passed 3-0; the meeting adjourned at 3:28 p.m.

A handwritten signature in black ink, appearing to read "Thomas P. German", is written over a horizontal line.

Thomas P. German, Executive Secretary

Link to audio recording:

<https://bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2025/2025-10-07 BoardMtgRecording.mp3>

**BOARD MEETING
NOVEMBER 4, 2025**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Type	Loan Amount
1. Mishicot Manitowoc County Application #: 02026029 Purpose: Finance roadwork	Town Rate: 5.50% Term: 10 years	General Obligation	\$165,000.00
2. New Richmond St Croix County Application #: 02026030 Purpose: Finance library construction	City Rate: 5.00% Term: 2 years	General Obligation	\$1,600,000.00
3. Hustisford Dodge County Application #: 02026031 Purpose: Finance cash flow shortages and operating deficit	School Rate: 5.00% Term: 5 years	General Obligation	\$1,000,000.00
4. Gordon Douglas County Application #: 02026032 Purpose: Finance Town Hall Building Improvements	Town Rate: 5.00% Term: 3 years	General Obligation	\$40,000.00
5. Conover Vilas County Application #: 02026033 Purpose: Finance purchase of dump trucks	Town Rate: 5.00% Term: 5 years	General Obligation	\$350,000.00
6. Salem Pierce County Application #: 02026034 Purpose: Finance purchase of Plow Truck	Town Rate: 5.00% Term: 5 years	General Obligation	\$170,850.00
7. Conover Vilas County Application #: 02026035 Purpose: Finance roadwork	Town Rate: 5.50% Term: 10 years	General Obligation	\$800,000.00
8. Washington Door County Application #: 02026036 Purpose: Finance roof project for Mosling Recreation Center	Town Rate: 5.50% Term: 10 years	General Obligation	\$162,200.00

Municipality	Municipal Type	Loan Type	Loan Amount
9. Superior Douglas County Application #: 02026037 Purpose: Finance tanker purchase	Town Rate: 5.50% Term: 7 years	General Obligation	\$388,867.61
TOTAL			\$4,676,917.61

Common School Fund

Portfolio Report

September 30, 2025

Asset Class	Current Market Value	Cost	Unrealized Gain/Loss	% Gain/Loss	Yield at Cost	Projected Annual Income
Fixed Income						
Public Debt						
State/State Agency/Municipal Bonds	73,647,589	76,907,871	(3,260,282)	-4.2%	4.0%	3,101,365
U.S. Treasury/Agency Bonds	91,648,065	94,896,001	(3,247,936)	-3.4%	4.8%	4,530,000
U.S. Treasury Inflation Protected Securities	40,132,003	39,853,949	278,053	0.7%	1.8%	718,750
Corporate Bonds	86,916,336	100,920,460	(14,004,124)	-13.9%	5.3%	5,378,020
Private Debt			-			
BCPL State Trust Fund Loans ¹	\$304,509,295	304,509,295	-	n/a	4.9%	14,966,932
Other Private Debt ²	207,460,847	213,781,367	(6,320,520)	-3.0%	8.2%	17,423,267
Total Fixed Income	804,314,135	830,868,943	(26,554,809)	-3.2%	5.6%	46,118,334
Equities and Alternatives						
Public Equities						
Preferred Stocks	78,980,580	98,363,707	(19,383,127)	-19.7%	5.6%	5,498,119
Common Stocks	237,613,818	199,769,621	37,844,197	18.9%	2.3%	4,675,728
Alternatives ²			-			
Private Real Estate	234,799,628	235,393,713	(594,085)	-0.3%	3.2%	7,497,897
Infrastructure	40,182,476	37,641,524	2,540,952	6.8%	5.1%	1,909,453
Private Equity/Venture Capital	77,643,519	40,238,828	37,404,691	93.0%	0.0%	-
Total Equities and Alternatives	669,220,021	611,407,393	57,812,628	9.5%	3.2%	19,581,197
Cash						
State Investment Fund ³	136,275,154	136,275,154			4.4%	5,934,858
Total Cash	136,275,154	136,275,154			5.4%	5,934,858
TOTAL CSF PORTFOLIO	1,609,809,311	1,578,551,491	31,257,819	2.0%	4.5%	71,634,389

Notes:

¹ The total market value of STFL assets is likely greater than cost. However, these assets are held at cost because no independent appraisal has been conducted and STFL assets have always been held to maturity. Annual income is at STFL interest payments that are due 3/15/26 as of 9/30/25 and is subject to change.

² Private fund investments are valued at the sum of manager-provided market values (at the end of the prior quarter) plus capital calls made during the current quarter. Market valuations are updated as information is received.

³ State Investment Fund yield is from September 2025 SIF Pool Earnings Workbook. Total cash is a preliminary number subject to change.

Common School Fund
Asset Allocation Report
September 30, 2025

	Current Portfolio		Potential Portfolio			Target	
Asset Class	Current Market Value	Current Allocation	Expected Commitments	Market Value + Commitments	Potential Allocation	Target Allocation	Target Range
Fixed Income							
Public Debt							
State/State Agency/Municipal Bonds	73,647,589	4.6%		73,647,589	4.6%	0.0%	0% to 20%
U.S. Treasury/Agency Bonds	91,648,065	5.7%		91,648,065	5.7%	3.0%	0% to 20%
U.S. Treasury Inflation Protected Securities	40,132,003	2.5%		40,132,003	2.5%	4.0%	0% to 10%
Corporate Bonds	86,916,336	5.4%		86,916,336	5.4%	3.0%	0% to 20%
Private Debt							
BCPL State Trust Fund Loans	304,509,295	18.9%		304,509,295	18.9%	20.0%	10% to 30%
Other Private Debt	207,460,847	12.9%	58,500,000	265,960,847	16.5%	20.0%	10% to 30%
Total Fixed Income	804,314,135	50.0%	58,500,000	862,814,135	53.6%	50.0%	
Equities and Alternatives							
Public Equities							
Preferred Stocks	78,980,580	4.9%		78,980,580	4.9%	0.0%	0% to 10%
Common Stocks	237,613,818	14.8%		237,613,818	14.8%	16.0%	5% to 20%
Alternatives							
Private Real Estate	234,799,628	14.6%		234,799,628	14.6%	18.0%	10% to 30%
Infrastructure	40,182,476	2.5%	29,536,796	69,719,272	4.3%	6.0%	0% to 10%
Private Equity/Venture Capital	77,643,519	4.8%	17,501,014	95,144,533	5.9%	8.0%	0% to 10%
Total Equities and Alternatives	669,220,021	41.6%	47,037,810	716,257,831	44.5%	48.0%	
Cash							
State Investment Fund	136,275,154	8.5%					
Total Cash	136,275,154	8.5%				2.0%	0% to 10%
TOTAL CSF PORTFOLIO	1,609,809,311	100.0%	105,537,810				

		Unfunded Commitments as of 09/30/2025		
		Total	Unfunded	Expected ¹
PRIVATE DEBT	PGIM Senior Loan Opportunities Fund I	50,000,000	10,750,000	8,250,000
	Angelo Gordon Direct Lending Fund	50,000,000	27,500,000	25,000,000
	Golub Capital Partners 15	25,000,000	10,000,000	8,750,000
	PGIM Senior Loan Opportunities Fund II	25,000,000	17,750,000	16,500,000
INFRASTRUCTURE	BlackRock Global Infrastructure Fund IV	25,000,000	7,036,796	5,786,796
	Global Infrastructure Partners Mid-Market Fund IV	25,000,000	25,000,000	23,750,000
VENTURE CAPITAL	4490 Venture II	15,000,000	450,000	450,000
	Venture Investors Health Fund VI	15,000,000	1,380,000	1,380,000
	Baird Venture Partners V	7,500,000	959,887	584,887
	NVNG Fund I	10,000,000	4,934,060	2,934,060
	Idea Fund of LaCrosse II	5,000,000	3,175,000	1,425,000
	Baird Venture Partners VI	11,000,000	4,537,067	3,437,067
	Venture Investors Health Fund 7	20,000,000	14,290,000	7,290,000

See Notes provided on the attached Portfolio Report for additional information

¹ Expected call percentages for prior vintage Venture Capital funds (shown in italics) has been increased due to current market conditions.

**BOARD MEETING
NOVEMBER 4, 2025**

**AGENDA ITEM #10
DEVELOPMENT OF PERMIT ISSUANCE AND ADMINISTRATION PROCESS FOR
SUBMERGED LOGGING IN ACCORDANCE WITH WIS. STATS. SEC. 170.12**

RECITALS

- A. The State of Wisconsin claims title to logs that were abandoned on the bottom of certain bodies of water.
- B. Pursuant to Wisconsin Statute Section 170.12, the Board of Commissioners of Public Lands (“BCPL”) is authorized and directed to review applications and grant licenses under certain conditions to Wisconsin persons or entities to retrieve “submerged timber” from the beds of certain bodies of water.
- C. The statute requires certain payments be made by the permittees to the State and many years ago in recognition of such payments, BCPL received budget authority for positions and funding to support such activities. This state support included having BCPL divers on site during the retrieval process and BCPL foresters on the docks to inspect logs that were retrieved.
- D. However, permittees did not retrieve enough valuable logs to make their operations economically viable. The agency does not have records that indicate that any previous permittee’s submerged logging operation avoided insolvency. As a result, such operations ceased completely.
- E. As the state did not receive payments as submerged logging activities ceased, state financial support for BCPL also ceased. Currently, there is no funding or authorized staff positions to support submerged logging activity.
- F. There have been no applications for submerged logging permits for 20 years. Without funding or staff, BCPL stopped updating its procedures for submerged logging permit application review and administration.
- G. BCPL has now received an inquiry from a person with an interest in submerged logging.
- H. It is not economically possible for BCPL to review and grant applications and administer the program as we did many years ago. However, using newer technology and a new self-reporting honor system, it may be possible for BCPL to administer the program in a limited manner that provides an opportunity for permittees to acquire a license and potentially retrieve submerged logs.

- I. BCPL staff respectfully requests that the Board authorize BCPL staff to develop new procedures in accordance with Wis. Stats. Section 170.12 to review and potentially approve applications for licenses and to administer such program using technology and an honor system on such other terms and conditions that the Executive Secretary deems reasonable and necessary.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands hereby authorizes and directs BCPL staff to develop and implement new procedures for issuing and administering submerged logging permits that comply with Wis. Stats. Section 170.12; and

BE IT FURTHER RESOLVED that in accordance with such statute, any permit issued by BCPL is also expressly subject to any conditions required by the Wisconsin Department of Natural Resources, the Wisconsin State Historical Society and potentially the US Army Corps of Engineers if such submerged logging activities impact navigation; and

BE IT FURTHER RESOLVED that such procedures may require deposits by the permittee to cover expected log payments from the permittee for the upcoming year; and

BE IT FURTHER RESOLVED such procedures may allow permittees to self-report on logs that are retrieved on condition that the permittee provides BCPL staff with sufficient video documentation of such logs that provide BCPL with enough information to estimate the value of such log and determine whether any native American markings are present on the log. Such video documentation must be delivered to BCPL in a timely manner; and

BE IT FURTHER RESOLVED Such activities shall be conducted in accordance with the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary.