

COMMON SCHOOL FUND



Investing in Communities and Public Education Throughout Wisconsin

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Douglas La Follette, *Secretary of State*
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Managing Wisconsin's Trust Assets for Public Education

Revenue

Added to the Principal of

- Fines
- Forfeitures
- Unclaimed Property
- Timber Sales
- Long Term Capital Gains on Investments



Common School Fund

Invested in

Managed by the Board of Commissioners of Public Lands, the Common School Fund was established by the Wisconsin Constitution in 1848 with the granting by the federal government of about 1.5 million acres of land for educational purposes.

These lands were to be sold to create the principal for a permanent school fund, with the earnings to be exclusively used to support and maintain common schools (now known as K-12 public schools) and “the purchase of suitable libraries and apparatus therefor.”

Except for the ~7,018 acres that remain in Trust, all lands from the original grants were sold to establish the Common School Fund. These remaining lands are managed for timber production and public recreation, with timber sale revenues added to Trust Fund principal.

The Wisconsin Constitution also provided for growth of Common School Fund principal through the addition of “clear proceeds” of all fines, fees and forfeitures, including unclaimed property.

Investments

Income distributed to

The Common School Fund is invested in accordance with the Prudent Person fiduciary standard. This important change in Wisconsin statutes in late 2015 allowed the diversification of Trust Fund assets necessary to reduce risk and increase long-term returns.

Some Common School Fund monies continue to be invested in State and Municipal Bonds and the State Trust Fund Loan Program, which provides Wisconsin communities with a flexible and cost-effective source of funds for:

- Economic development
- School repairs and improvements
- Local infrastructure and utilities
- Capital equipment and vehicles

Borrower: Village of McFarland



Beneficiaries:

K-12 Public School libraries

The Board of Commissioners of Public Lands provides annual funding for public school libraries that exceeds \$35 for every child in the state of Wisconsin between the ages of 4 and 20 years old.

Primary source of funding materials including:

- Library books
- Audiovisual materials
- Computer equipment and software
- Newspapers and periodicals

A book for every child

