



# **2018-2028 Strategic Plan**

## **2021 Update**

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# Where We Are Going

On behalf of the Minnesota Office of School Trust Lands (OSTL), I am pleased to share our 2021 strategic plan update. OSTL completed the state's first-ever school trust lands strategic plan in May 2018. Required by law, the plan created a roadmap to fulfill our mission to "develop and advocate for sustainable asset management strategies that maximize long-term revenue for Minnesota's public schools." Notable accomplishments over the past three years include fostering a more collaborative working relationship with the Minnesota Department of Natural Resources (DNR), nearly finalizing an asset management plan for school trust lands, and more robustly engaging with trust beneficiaries, stakeholders and the public about the purpose, significance, and management of these lands.

A number of key events have occurred since the 2018 plan was developed. These include the election of Governor Walz, appointment of a new DNR Commissioner, my reappointment as the School Trust Lands Director, and perhaps most critically, the Covid-19 pandemic. Each of these circumstances, coupled with emerging opportunities for revenue enhancement and resource stewardship, has impacted our focus areas, goals, and priority strategies, compelling us to update the plan.

The update will guide us in a time that calls for flexibility, innovation, an agile mindset, and effective, nimble governance. It is organized around goals and strategies in the following three focus areas:

- Advancing the School Trust Lands Portfolio
- Collaboration
- Outreach and Engagement

We hope you will continue to stay engaged with OSTL and lend your voice to the work we do on behalf of the trust beneficiaries. There are numerous ways to connect with us, to participate in our decision-making, and stay informed about our activities.

- [Attend public meetings](#) of the Legislative Permanent School Fund Commission.
- Regularly [visit our website](#) for project updates.
- [Send us an email](#).
- [Subscribe to our e-lists](#).

We thank the many contributors who helped update our strategic plan and commend those who work tirelessly to continue fulfilling the school trust legacy.

Sincerely,



Aaron Vande Linde, Director  
Office of School Trust Lands

# Introduction

The Minnesota Office of School Trust Lands strategic plan is intended to serve as a roadmap to help OSTL fulfill its mission to “develop and advocate for sustainable asset management strategies that maximize long-term revenue for Minnesota’s public schools.”

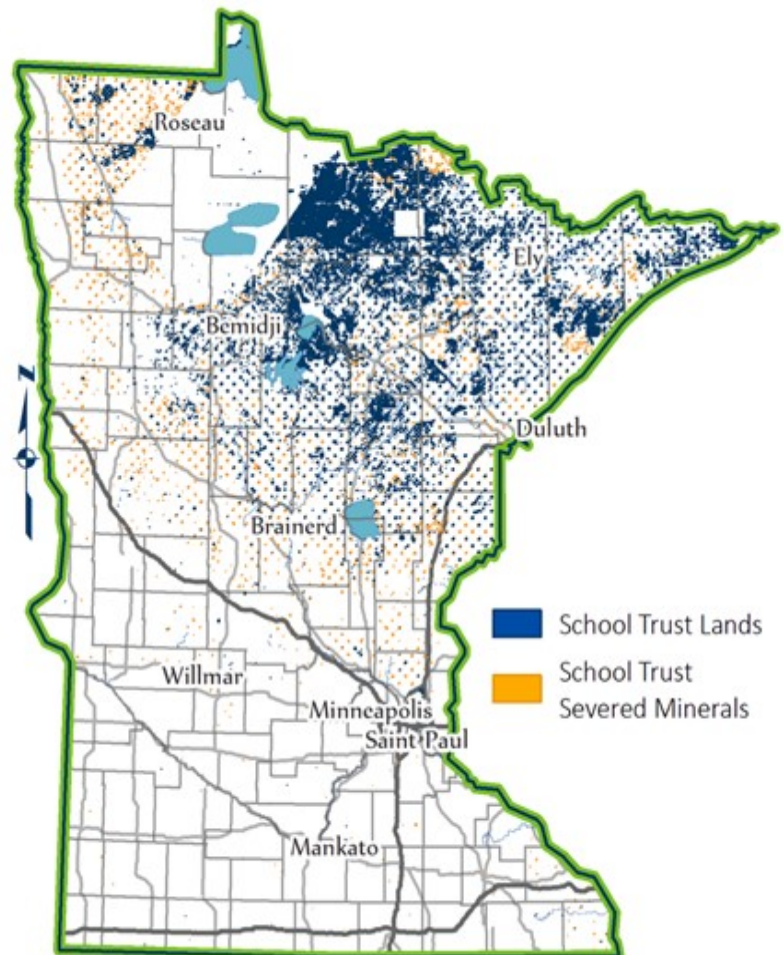
The Minnesota Legislature established the Office of School Trust Lands in 2012. Minnesota law requires OSTL to:

- 1) Advise the Governor, Executive Council, Legislative Permanent School Fund Commission (LPSFC), and DNR on school trust lands management;
- 2) Work with the LPSFC on legislation to secure the maximum long-term revenue from school trust assets; and
- 3) Develop long-range comprehensive strategic plans to ensure efficient management of those assets.

## Background

School trust lands are an important and broadly misunderstood category of land ownership across the nation. They are publicly owned and managed, yet have a different legal purpose than other public lands. Just as state parks, wildlife management areas or other types of public land have legally defined objectives, so do school trust lands. School trust lands were established in multiple state constitutions to be held in trust for a single and specific purpose—to generate revenue for the state’s public schools.

Minnesota’s school trust lands comprise approximately 2.5 million acres, plus an additional one million acres of severed mineral interests. More than two million acres, or 92%, of Minnesota’s school trust lands are located in ten northern Minnesota



counties. The remaining school trust lands are dispersed through other parts the state .

As “trustee”, the state must manage school trust land assets “consistent with the best interests of trust beneficiaries” pursuant to the Minnesota constitution and state law. Any person acting in an official state capacity who makes school trust-related decisions or recommendations is a trustee, and subject to the fiduciary obligation to ensure both current and future beneficiaries receive maximum economic returns from school trust assets.

## **Alignment with One Minnesota Plan**

Since Governor Tim Walz and Lieutenant Governor Peggy Flanagan took office, they have met with thousands of Minnesotans throughout the state. The creation of the One Minnesota Plan was one outcome of this outreach. One Minnesota’s core components include a mission, vision, guiding principles, and priorities reflecting common themes that represent the values of our citizenry.

A key component of OSTL’s strategic planning process is integrating our work with the priority areas outlined in the One Minnesota Plan. One Minnesota’s guiding principles, coupled with OSTL’s core values, articulate the contribution of school trust lands to the state’s economy, environment, and public education system.

### **Economic Recovery & Working Minnesotans**

Minnesota’s natural resources are critical for the state’s economic well-being, and school trust lands provide a diversity of resources appropriate for sustainable development. We will continue to work collaboratively with natural resource-based industries by evaluating and promoting innovative management activities and policy initiatives on school trust lands that strengthen local economies and help Minnesota’s communities prosper.

### **Children and Families**

Minnesota’s school trust lands contribute millions of dollars each year to public education funding. They also are open for a variety of outdoor recreation experiences such as camping, biking, boating, hiking, snowmobiling, skiing, hunting, and horseback riding. To ensure that these recreational opportunities remain available to current and future generations, OSTL encourages all Minnesotans to recreate responsibly on school trust lands while remembering that revenue generating activities take precedence on school trust lands.

### **Fiscal Accountability and Measurable Results**

As a trustee, OSTL is committed to the prudent use of public funds to manage Minnesota’s school trust lands. We have a fiduciary duty to ensure efficient management of the trust’s assets, and support

transparency and fiscal accountability to improve school trust lands management. We recognize the need for performance measures to evaluate success in fulfilling fiduciary duties and statutory goals, monitoring management costs, and demonstrating the profitability or loss of the school trust lands portfolio.

## **Minnesota's Environment**

The goal of the Permanent School Fund is to secure the maximum long-term economic return from school trust lands using sound natural resource conservation and management principles. This goal must be met in order to fulfill our obligations to current and future beneficiaries.

We recognize that the effects of climate change will likely impact both the ecological functions and economic potential on school trust lands. We will continue to collaborate with land managers, community leaders, and specialists across the state to prepare for a changing climate and develop plans for climate change mitigation.

We also support the development of ecosystem services markets such as carbon sequestration, wetland or stream mitigation, and conservation banks for species and habitats. These markets have the potential to yield substantial ecological benefits while generating revenue on currently unproductive or minimally productive school trust lands.

## **Strategic Plan Development**

OSTL launched this project in December 2020. The project team included representatives from DNR, since much of our work is accomplished together. The team engaged the services of *K2OHSolutions, LLC* to design and facilitate outreach activities and spearhead creation of the final plan.

The updated plan is the result of both reflection and a focused action: listening. We invited diverse and varied voices from across the state to help us understand, consider, and interpret issues related to school trust lands. We listened, brought the initial findings together, analyzed what we heard, and asked for more feedback. The result is an updated plan reflecting the voices and input from individuals in the public, private, and non-profit sectors.

Listening to representatives from the Legislative Permanent School Fund Commission, the beneficiary community, tribal governments, DNR leadership and staff, county and local governments, conservation organizations and industry groups afforded an opportunity to understand their varied perspectives, concerns, and insights. Collectively, they provided more than 660 comments that helped identify current and emerging issues, drivers, stressors, challenges, and what they want from OSTL regarding school trust lands policy and management. Using a virtual workspace, the project team analyzed each comment, identified common themes, and developed focus areas, goals, and initial priority strategies.

# OSTL 2021 Strategic Plan Update

The 2021 Update to the OSTL 2018-2028 strategic plan expresses our revised mission, vision, and core values. In addition to affirming our ongoing commitments, the update establishes three new focus areas with accompanying goals that reflect our strategic focus for the next seven years. The update enables OSTL to adapt to emerging challenges while creating a meaningful framework to guide our work as trustees and fulfill our constitutional and statutory obligations. OSTL is committed to implementing the goals and strategies in this update in order to advance the sustainable uses and long-term value of school trust assets.

## Mission and Vision

OSTL is guided by obligations articulated in the Minnesota Constitution and state law, and has a fiduciary duty to ensure that both current and future beneficiaries receive maximum economic returns from school trust assets. As trustees, we have legal and ethical responsibilities to act solely in their best interest.

### Our Mission

*Develop and advocate for sustainable asset management strategies that maximize long-term revenue for Minnesota's public schools.*

### Our Vision

*Increased public school funding from a diverse set of activities on Minnesota's school trust lands.*

## Core Values

Core values are the deeply ingrained guiding principles that inform our highest priorities and fundamental driving forces. They support our vision, shape our culture, and are the foundation for how we conduct ourselves and perform our work.

### Service

*We work diligently on behalf of Minnesota's school trust beneficiaries.*

### Innovation

*We lead the exploration of opportunities to diversify and increase revenue sources from Minnesota's school trust lands.*

## Stewardship

*We prioritize sustainable practices and outcomes for current and future generations.*

Noticeably absent from our core values are social standards such as honesty, integrity, teamwork and respect. These behaviors are expected in our workplace and influence how we interact with each other and with those outside OSTL. They are practices we use (or should be using) every day.

## Focus Areas and Goals

The OSTL strategic plan update has three overarching focus areas and four supporting goals. Our mission, vision, and core values provide the foundation for every focus area and goal. The goals address current and emerging issues, challenges, and opportunities that the strategic plan project team, tribal governments, and OSTL stakeholders identified as essential to the future vitality of school trust lands.

### Focus Area: Advancing the School Trust Lands Portfolio

**Goal 1:** OSTL advances Minnesota's school trust lands portfolio by analyzing existing and emerging markets and using the results of that analysis to promote the most promising innovative management activities and policy initiatives.

**Goal 2:** OSTL advances initiatives that balance revenue enhancement and resource stewardship.

### Focus Area: Collaboration

**Goal 3:** OSTL collaborates with federal, tribal, state and county governments to promote efficient management of school trust lands.

### Focus Area: Outreach & Engagement

**Goal 4:** OSTL is a trusted source of information about Minnesota's school trust lands.

## Strategies

Each goal above informs a number of strategies which in turn drive detailed action plans. Many actions will yield near-term results, while others represent investments in a series of steps to be taken to achieve long-term outcomes.

Annually, OSTL will review the impact of our implementation efforts, share those accomplishments, and solicit feedback from our partners and stakeholders to help shape our future direction. By continuing to listen in order to prioritize actions and activities, we will develop a next set of operational plans in support of the broad goals outlined here.



For OSTL, strategic planning is not just an exercise to complete once every few years. Rather, it is an ongoing, dynamic and responsive process, and drives deliberative action every day in all that we do.

# Acknowledgments

We owe enormous thanks to the many individuals who helped develop this strategic plan update.

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*Upon request, this material will be made available in alternative formats.*