



Financial Statements
June 30, 2025 and 2024

North Dakota Student Loan Trust

NORTH DAKOTA STUDENT LOAN TRUST

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Independent Auditor's Report

Governor of North Dakota
and the Legislative Assembly
State of North Dakota
Bismarck, North Dakota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the North Dakota Student Loan Trust (the Trust), an enterprise fund of the State of North Dakota, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Trust, as of June 30, 2025 and 2024, and the respective changes in its financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Trust are intended to present the financial position, the changes in financial position and cash flows of only that portion of the State of North Dakota that is attributable to the transactions of the Trust. They do not purport to, and do not, present fairly the financial position of the State of North Dakota as of June 30, 2025 and 2024, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Trust. The combining statements of net position and combining statements of revenues, expenses, and changes in net position are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements of net position and combining statements of revenues, expenses, and changes in net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2025, on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control over financial reporting and compliance.



Bismarck, North Dakota
August 18, 2025

NORTH DAKOTA STUDENT LOAN TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025, 2024, and 2023
(In Thousands)

The discussion and analysis of the financial performance of the North Dakota Student Loan Trust (Trust) that follows is meant to provide additional insight into the Trust's activities for the years ended June 30, 2025, 2024, and 2023. Please read it in conjunction with the Trust's financial statements and footnotes, which are presented within this report.

FINANCIAL HIGHLIGHTS:

Section 54-17-24 of the North Dakota Century Code authorized the establishment of the North Dakota Student Loan Trust. On June 27, 1979, the Commission adopted the North Dakota Student Loan Revenue Bonds General Bond Resolution establishing the North Dakota Student Loan Trust fund. On June 19, 1996, the Commission adopted the Second General Bond Resolution and the First Supplemental Resolution to the North Dakota Student Loan Revenue Bonds - Second General Bond Resolution. The purpose of the Trust is to provide loans to students in post-secondary education. The Trust acquires eligible loans insured or guaranteed, respectively, by the United States government or the North Dakota Guaranteed Student Loan Program. All guaranteed loans and the collections and earnings therefrom are pledged as collateral to the outstanding bonds of the respective trusts.

DEAL loans are available at either a fixed rate or a variable rate with the rates being adjusted quarterly. As of June 30, 2025, the fixed rate was 6.59% and the variable rate was 5.75%. As of June 30, 2024, the fixed rate was 6.66% and the variable rate was 6.83%. As of June 30, 2023, the fixed rate was 6.29% and the variable rate was 6.44%.

The Trust 2025 statement of net position indicates that the Trust continues to have adequate resources to provide for bond repayment and continuing operations. There are \$1,840 of current assets available to meet the next fiscal year's obligations of approximately \$5. The net loss in the statement of revenues, expenses, and changes in net position is a result of the changing rate environment.

REQUIRED FINANCIAL STATEMENTS:

The management discussion and analysis is intended to serve as an introduction to the Trust's financial statements. The Trust is accounted for utilizing fund accounting and includes the requirements of 1) the General Bond Resolution Fund and 2) the Second General Bond Resolution Fund. Note 1 to the financial statements provides a description of the organization, funds and significant accounting policies. The financial statements of the Trust provide accounting information similar to that of many other business entities. The Statement of Net Position summarizes the assets and liabilities, with the difference between the two reported as net position. It also serves as the basis for analysis of the soundness and liquidity of the Trust. The Statement of Revenues, Expenses and Changes in Net Position summarizes the Trust's operating performance for the year. The Statement of Cash Flows summarizes the flow of cash through the Trust as it conducts its business.

NORTH DAKOTA STUDENT LOAN TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025, 2024, and 2023
(In Thousands)

	<u>2025</u>	<u>2024</u>	<u>2023</u>
ASSETS			
CURRENT ASSETS - UNRESTRICTED	\$ 8	\$ 7	\$ 8
CURRENT ASSETS - RESTRICTED	1,832	1,796	1,772
NONCURRENT ASSETS - UNRESTRICTED	<u>334</u>	<u>388</u>	<u>434</u>
TOTAL ASSETS	<u>\$ 2,174</u>	<u>\$ 2,191</u>	<u>\$ 2,214</u>
LIABILITIES			
CURRENT LIABILITIES	5	6	6
NONCURRENT LIABILITIES	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
TOTAL LIABILITIES	<u>1,005</u>	<u>1,006</u>	<u>1,006</u>
NET POSITION			
RESTRICTED FOR DEBT SERVICE	832	796	772
UNRESTRICTED	<u>337</u>	<u>389</u>	<u>436</u>
TOTAL NET POSITION	<u>1,169</u>	<u>1,185</u>	<u>1,208</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,174</u>	<u>\$ 2,191</u>	<u>\$ 2,214</u>

(continued on next page)

NORTH DAKOTA STUDENT LOAN TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025, 2024, and 2023
(In Thousands)

Significant Statement of Net Position Changes

Total assets of the Trust decreased (\$17) in 2025, decreased (\$23) in 2024, and decreased (\$20) in 2023, primarily due to the decrease in loans receivable year over year.

There were no new bonds issued in 2025, 2024, or 2023. No principal payments were made during the fiscal years ended June 30, 2025, 2024, or 2023.

Cash, Cash Equivalents and Investments

Trust cash, cash equivalents and investments, which are included in restricted assets, are restricted for the debt service of bond issues for the General Bond Resolution and Second General Bond Resolution purposes listed in Note 1 to the financial statements.

Trust cash, cash equivalents and investments, which are included in unrestricted assets, are unrestricted within the Trust for the overall uses of the General Bond Resolution and Second General Bond Resolution purposes listed in Note 1 to the financial statements.

Student Loans Receivable

The student loans receivable are included in current and noncurrent assets of the statement of net position. As of June 30, 2025, all student loans are insured by the North Dakota Guaranteed Student Loan Program (GSL). All guaranteed loans and the collections and earnings therefrom are pledged as collateral to the outstanding bonds of the respective trusts. Additional discussion can be found in Notes 1 and 4 to the financial statements.

Appropriation Payable

North Dakota Legislature did not pass any legislation impacting the Trust in the 2023 or 2025 sessions.

Bonds Payable

The Trust has issued bonds in order to facilitate the purchase of student loans. The bonds payable are included in the current and noncurrent liabilities of the preceding statement. The bonds are direct obligations of the Trust and are secured by student loans purchased under the applicable resolutions, interest earnings and certain accounts established pursuant to the applicable bond resolutions. Note 5 to the financial statements provides a detailed listing of all the bonds outstanding.

Net Position

The Restricted Net Position of the North Dakota Student Loan Trust is restricted by bond resolutions for the repayment of bond interest and principal. Monies held in surplus accounts can be used to redeem or purchase bonds, finance student loans, or upon certification from the Industrial Commission of North Dakota, fund a guarantee agency's guarantee program.

NORTH DAKOTA STUDENT LOAN TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025, 2024, and 2023
(In Thousands)

CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025, 2024, AND 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
OPERATING REVENUES			
Interest on student loans	<u>\$ 24</u>	<u>\$ 27</u>	<u>\$ 30</u>
Total operating revenues	<u>24</u>	<u>27</u>	<u>30</u>
OPERATING EXPENSES			
Interest	54	61	46
Service fees	4	4	4
Other	<u>11</u>	<u>10</u>	<u>10</u>
Total operating expenses	<u>69</u>	<u>75</u>	<u>60</u>
OPERATING INCOME (LOSS)	(45)	(48)	(30)
NONOPERATING REVENUE	<u>29</u>	<u>25</u>	<u>7</u>
CHANGE IN NET POSITION	(16)	(23)	(23)
NET POSITION, BEGINNING OF YEAR	<u>1,185</u>	<u>1,208</u>	<u>1,231</u>
NET POSITION, END OF YEAR	<u>\$ 1,169</u>	<u>\$ 1,185</u>	<u>\$ 1,208</u>

Note 1 to the financial statements contains discussion of several of the various operating revenue and expense items pertaining to the Trust.

Transfers

No transfers were made during the fiscal years 2025, 2024, and 2023.

**NORTH DAKOTA STUDENT LOAN TRUST
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025, 2024, and 2023
(In Thousands)**

ECONOMIC FACTORS AND FUTURE OUTLOOK

There was no legislation impacting the Trust during the 2023 or 2025 Legislative Sessions. The Trust continues to have adequate cashflow from student loan repayments to meet its future obligations.

CONTACTING THE NORTH DAKOTA STUDENT LOAN TRUST'S FINANCIAL MANAGEMENT

The information in this report is intended to provide the reader with an overview of the Trust's operations along with the Trust's accountability for those operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the North Dakota Industrial Commission, North Dakota Student Loan Trust, 600 East Boulevard Avenue, Department 405, Bismarck, ND 58505-0840.

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NORTH DAKOTA STUDENT LOAN TRUST
STATEMENTS OF NET POSITION
JUNE 30, 2025 and 2024
(In Thousands)

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS - UNRESTRICTED		
Due from other state agencies	\$ 6	\$ 5
Interest receivable	<u>2</u>	<u>2</u>
Total unrestricted current assets	<u>8</u>	<u>7</u>
CURRENT ASSETS - RESTRICTED		
Cash and cash equivalents	784	743
Investments	1,000	1,000
Student loans receivable	<u>48</u>	<u>53</u>
Total restricted current assets	<u>1,832</u>	<u>1,796</u>
NONCURRENT ASSETS - UNRESTRICTED		
Student loans receivable	<u>334</u>	<u>388</u>
Total assets	<u><u>\$ 2,174</u></u>	<u><u>\$ 2,191</u></u>

NORTH DAKOTA STUDENT LOAN TRUST
STATEMENTS OF NET POSITION – Page 2
JUNE 30, 2025 and 2024
(In Thousands)

	<u>2025</u>	<u>2024</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Due to other state agencies	\$ 4	\$ 5
Accrued fees payable - related party	<u>1</u>	<u>1</u>
Total current liabilities	<u>5</u>	<u>6</u>
NONCURRENT LIABILITIES		
Bonds payable	<u>1,000</u>	<u>1,000</u>
Total noncurrent liabilities	<u>1,000</u>	<u>1,000</u>
Total liabilities	<u>1,005</u>	<u>1,006</u>
NET POSITION		
Restricted for debt service	832	796
Unrestricted	<u>337</u>	<u>389</u>
Total net position	<u>1,169</u>	<u>1,185</u>
Total liabilities and net position	<u>\$ 2,174</u>	<u>\$ 2,191</u>

NORTH DAKOTA STUDENT LOAN TRUST
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 and 2024
(In Thousands)

	<u>2025</u>	<u>2024</u>
OPERATING REVENUES		
Interest on student loans	\$ 24	\$ 27
Total operating revenues	<u>24</u>	<u>27</u>
OPERATING EXPENSES		
Interest	54	61
Service fees	4	4
Bond related expenses	<u>11</u>	<u>10</u>
Total operating expenses	<u>69</u>	<u>75</u>
OPERATING (LOSS)	(45)	(48)
NONOPERATING REVENUE		
Investment income	<u>29</u>	<u>25</u>
CHANGE IN NET POSITION	(16)	(23)
NET POSITION, BEGINNING OF YEAR	<u>1,185</u>	<u>1,208</u>
NET POSITION, END OF YEAR	<u>\$ 1,169</u>	<u>\$ 1,185</u>

NORTH DAKOTA STUDENT LOAN TRUST
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 and 2024
(In Thousands)

	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES		
Receipts of student loan repayments	\$ 69	\$ 75
Payments to state agency service providers	(4)	(5)
Payments to other service providers	<u>(11)</u>	<u>(10)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>54</u>	<u>60</u>
NON-CAPITAL FINANCING ACTIVITIES		
Bond interest payments	<u>(55)</u>	<u>(61)</u>
NET CASH USED FOR NON-CAPITAL FINANCING ACTIVITIES	<u>(55)</u>	<u>(61)</u>
INVESTING ACTIVITIES		
Investment interest received	30	25
Purchase of investment securities	(2,000)	(2,000)
Proceeds from sale of loans	12	6
Proceeds from sale and maturity of investment securities	<u>2,000</u>	<u>2,000</u>
NET CASH FROM INVESTING ACTIVITIES	<u>42</u>	<u>31</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	41	30
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>743</u>	<u>713</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 784</u>	<u>\$ 743</u>

NORTH DAKOTA STUDENT LOAN TRUST
STATEMENTS OF CASH FLOWS – Page 2
YEARS ENDED JUNE 30, 2025 and 2024
(In Thousands)

	<u>2025</u>	<u>2024</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM/USED FOR OPERATING ACTIVITIES		
Operating (loss)	\$ (45)	\$ (48)
Reclassification of interest expense to other activities	54	61
Changes in assets and liabilities		
Student loans receivable	47	46
Due from other state agencies	(1)	2
Interest receivable	-	(1)
Due to other state agencies	<u>(1)</u>	<u>-</u>
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 54</u>	<u>\$ 60</u>

NORTH DAKOTA STUDENT LOAN TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 and 2024
(In Thousands)

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Section 54-17-24 of the North Dakota Century Code authorized the establishment of the North Dakota Student Loan Trust (Trust). On June 27, 1979, the Commission adopted the North Dakota Student Loan Revenue Bonds General Bond Resolution establishing the North Dakota Student Loan Trust fund. On June 19, 1996, the Commission adopted the Second General Bond Resolution and the First Supplemental Resolution to the North Dakota Student Loan Revenue Bonds - Second General Bond Resolution. The purpose of the Trust is to provide loans to students in post-secondary education. The Trust acquires eligible loans insured or guaranteed, respectively, by the United States government or the North Dakota Guaranteed Student Loan Program. All guaranteed loans and the collections and earnings therefrom are pledged as collateral to the outstanding bonds of the respective trusts.

Reporting Entity

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, the Trust should include all component units over which the Trust exercises such aspects as (1) appointing a voting majority of an organization's governing body and (2) has the ability to impose its will on that organization or (3) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Trust.

Based on that criteria, no organizations were determined to be part of the reporting entity. The Trust is included as part of the primary government in the State of North Dakota's reporting entity as an enterprise fund.

Accounting Standards and Adoptions of Accounting Policies

The Trust follows the pronouncements of the Governmental Accounting Standards Board, which is the nationally accepted standard setting body for establishing generally accepted accounting principles for governmental entities.

Fund Accounting

The North Dakota Student Loan Trust is accounted for as an enterprise fund and uses the accrual basis of accounting. The fund is set up in accordance with the authorizing act, the bond resolutions and indenture. The fund consists of the First General Bond Resolution Fund, which includes the 2004 A student loan revenue bonds and the Second General Bond Resolution Fund. Proceeds of bonds are recorded in the fund and used to provide student loans to eligible students. The bond resolutions require the establishment of certain accounts and sub-accounts. Bond proceeds that are deposited in these accounts are invested in qualifying investments. Interest income, interest expense, special allowance and interest subsidy, and gain on redemption of bonds are recorded in this fund in accordance with the bond resolutions.

NORTH DAKOTA STUDENT LOAN TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 and 2024
(In Thousands)

Basis of Accounting and Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All enterprise funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of the Trust are included on the statement of net position. Net position is segregated into restricted and unrestricted components. The statement of revenues, expenses and changes in net position present increases (e.g. revenues) and decreases (e.g. expenses) in net total position. The statement of cash flows presents the cash flows for operating activities, non-capital financing activities, and investing activities.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of net position and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant Group Concentrations of Credit Risk

Most of the Trust's activities are with student loan borrowers in the State of North Dakota.

Cash

The Trust considers all cash and time deposit accounts with original maturities of three months or less to be cash for purposes of reporting cash flows.

Deposits and Investments

Time deposit investments are carried at cost, as they are nonnegotiable certificates of deposits with redemption terms that do not consider market rates.

Restricted Assets and Restricted Net Position

The assets and net position of the North Dakota Student Loan Trust are restricted by bond resolutions for the repayment of bond interest and principal.

Moneys held in surplus accounts (which are classified as unrestricted on the statement of net position) can be used to redeem or purchase bonds, finance student loans, or upon certification from the Industrial Commission of North Dakota (the Commission), fund a guarantee agency's guarantee program.

Expenses of the Trust are paid in accordance with the provisions of the General and Second General Bond Resolutions and the Series Resolutions. Expenses related to a specific bond series are paid from funds available within that particular resolution. When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Trust considers restricted funds to have been spent first.

NORTH DAKOTA STUDENT LOAN TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 and 2024
(In Thousands)

Operating and Non-Operating Revenues

Operating revenues consist of interest income on loans. All other revenues that do not meet the above criteria are classified as non-operating.

NOTE 2 - UNRESTRICTED NET POSITION

The assets and net position of the North Dakota Student Loan Trust are restricted by bond resolutions for the repayment of bond interest and principal.

As of June 30, 2025 and 2024, the surplus accounts consist of the following:

	2025	2024
Due from other state agencies	\$ 6	\$ 5
Interest receivable	2	2
Accrued fees payable - related party	(1)	(1)
Due to other state agencies	(4)	(5)
Student loans receivable	334	388
	\$ 337	\$ 389

NOTE 3 - DEPOSITS AND INVESTMENTS

All funds have their monies invested in securities or deposits allowed by the General Bond Resolution establishing the Trust and the Second General Bond Resolution. Such moneys may be invested in: (1) direct obligations of or obligations guaranteed by the United States of America, (2) deposits of the Bank of North Dakota which are guaranteed as provided in North Dakota Century Code Section 6-09-10, (3) demand deposits and time deposits issued by banks, which are members of the Federal Deposit Insurance Corporation, (4) bonds, debentures, or notes or other evidences of indebtedness issued or guaranteed by any agency or instrumentality of the United States of America, (5) repurchase agreements or reverse repurchase agreements with banks, which are secured by securities which are obligations described in item (1) above, and (6) banker's acceptances of banks described in items (2) and (3) above.

Deposits

As of June 30, 2025 and 2024, the Trust had cash deposits of \$784 and \$743, respectively, with the Bank of North Dakota. The Trust also had time deposit investments of \$1,000 and \$1,000, respectively, with the Bank. For classification purposes on the Statement of Net Position, cash and cash equivalents were \$784 and \$743, respectively, and investments were \$1,000 and \$1,000 as of June 30, 2025 and 2024, respectively.

NORTH DAKOTA STUDENT LOAN TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 and 2024
(In Thousands)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of investments will adversely affect the fair value of the investments.

Custodial and Concentration of Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Trust will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Trust does not have a formal policy that limits custodial credit risk for deposits. None of the Trust's deposits are covered by depository insurance. The Trust's deposits are uncollateralized and all of the deposits are deposited in the Bank of North Dakota and are guaranteed by the State of North Dakota (NDCC Section 6-09-10).

NOTE 4 - STUDENT LOANS RECEIVABLE

The Trust has outstanding loans with annual fixed and variable interest rates. DEAL student loans are fully guaranteed by the North Dakota Guaranteed Student Loan Program, so there is no allowance for loan loss. Loan balances as of June 30, 2025 and 2024 total \$382 and \$441, respectively, with \$48 and \$53 designated as current assets. The loans are expected to be collected through July 2045.

Student loans are classified as student, deferred, repayment or claim status. The student status represents the period from the date the loan is made until a student is out of school, plus an authorized grace period. Deferred status represents a loan that has an authorized deferment of payment period. Repayment status indicates the loan is in repayment. Claim status represents those loans that have a claim filed with the guarantor.

As of June 30, 2025, there were \$27 in deferred status and \$355 in repayment status. As of June 30, 2024, there were \$34 in deferred status and \$407 in repayment status

NOTE 5 - BONDS PAYABLE

Changes in Bonds Payable

The following is a summary of the changes in bonds payable for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 1,000	\$ 1,000
Principal payments on bonds	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 1,000</u>	<u>\$ 1,000</u>
Amounts due within one year	<u>\$ -</u>	<u>\$ -</u>

NORTH DAKOTA STUDENT LOAN TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 and 2024
(In Thousands)

Maturities of Bonds Payable

The combined aggregate of future maturities and sinking fund requirements for all bonds is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	-	50	50
2027	-	50	50
2028	-	50	50
2029	1,000	51	1,051
	<u>\$ 1,000</u>	<u>\$ 201</u>	<u>\$ 1,201</u>

The following is a more detailed description of the individual bond issue that remains outstanding as of June 30, 2025 and 2024.

	<u>Maturity Dates</u>	<u>Interest Rate</u>	<u>2025</u>	<u>2024</u>
General Bond Resolution Fund 2004 Series A	June 1, 2029	5.02% (1)	<u>\$ 1,000</u>	<u>\$ 1,000</u>
Less current portion			<u>-</u>	<u>-</u>
Noncurrent portion			<u>\$ 1,000</u>	<u>\$ 1,000</u>

(1) Variable on June 30, 2025.

2004 SERIES A BONDS

Interest is payable semiannually on June 1 and December 1 of each year. The 2004 Series A Bonds are variable rate bonds. The rate of interest is determined based on one-month SOFR plus 0.7%. The maximum rate of interest is 12% per annum. Details of the terms and provisions of the variable rate bonds are outlined in Section 2.1 of the Fourth Supplemental Resolution to the State of North Dakota Student Loan Revenue Bonds First General Bond Resolution. Section 2.2 of the Fourth Supplemental Resolution to the State of North Dakota Student Loan Revenue Bonds First General Bond Resolution has deemed these to be Federally Taxable Bonds. The Series 2004 Bonds are subject to redemption prior to maturity at the option of the Commission from any source of funds, in whole or in part, on any date at a redemption price equal to 100% of the principal amount plus accrued interest to date of redemption.

NORTH DAKOTA STUDENT LOAN TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 and 2024
(In Thousands)

NOTE 6 - INTERFUND AND RELATED PARTY TRANSACTIONS

The North Dakota Student Loan Trust is related to the Bank of North Dakota through common management under the Industrial Commission of North Dakota. All cash and time deposit investments are deposited in the Bank of North Dakota. Interest receivable from the Bank of North Dakota totaled \$6 and \$5 as of June 30, 2025 and 2024 and is reflected as due from other state agencies on the statement of net position. Investment securities are held in safekeeping and all student loans are purchased from the Bank of North Dakota. The Bank of North Dakota also acts as the paying agent for the 2004 Series A Bonds. In addition, the Bank services the student loans held by the Trust, and maintains the accounting and other records for the Trust.

Fees expensed to the Bank of North Dakota for the following services included in the accompanying financial statements were as follows:

	<u>2025</u>	<u>2024</u>
Service fees	\$ 4	\$ 4

Payables to the Bank of North Dakota for such fees amounting to \$1 and \$1 as of June 30, 2025 and 2024 are included in “accrued fees payable – related party” on the statement of net position.

The North Dakota Student Loan Trust is related to the North Dakota Guaranteed Student Loan Program through common management under the Industrial Commission of North Dakota. Proceeds on defaulted loans sold to the North Dakota Guaranteed Student Loan Program were \$12 and \$6 for the years ended June 30, 2025 and June 30, 2024, respectively.

NOTE 7 - RISK MANAGEMENT

The North Dakota Student Loan Trust is exposed to various risks of loss related to torts and errors and omissions. The North Dakota Student Loan Trust is administered by the North Dakota Industrial Commission and, therefore, is eligible to the same funds/pools established by the State for risk management issues. These include:

The 1995 Legislative Session established the Risk Management Fund (RMF), an internal service fund of the State of North Dakota, to provide a self-insurance vehicle for funding the liability exposures of State Agencies resulting from the elimination of the State’s sovereign immunity. The RMF manages the tort liability of the State, its agencies’ employees, and the University System. All State agencies participating in the RMF and their fund contribution was determined using a projected cost allocation approach. The statutory liability of the State is limited to a total of \$468,750 per person and \$1,875,000 per occurrence. The State Bonding Fund currently provides the Fund with blanket employee fidelity bond coverage in the amount of \$750,000. The State Bonding Fund does not currently charge any premium for this coverage.

There have been no significant reductions in insurance coverage from the prior year and settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.



Supplementary Information
June 30, 2025 and 2024

North Dakota Student Loan Trust

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NORTH DAKOTA STUDENT LOAN TRUST
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2025
(In Thousands)

	General Bond Resolution Fund	Second General Bond Resolution Fund	Combined
ASSETS			
CURRENT ASSETS - UNRESTRICTED			
Interest receivable	\$ 2	\$ -	\$ 2
Due from other state agencies	-	6	6
Total unrestricted current assets	<u>2</u>	<u>6</u>	<u>8</u>
CURRENT ASSETS - RESTRICTED			
Cash and cash equivalents	58	726	784
Investments	1,000	-	1,000
Student loans receivable	-	48	48
Total restricted current assets	<u>1,058</u>	<u>774</u>	<u>1,832</u>
NONCURRENT ASSETS - UNRESTRICTED			
Student loans receivable	-	334	334
Total assets	<u>\$ 1,060</u>	<u>\$ 1,114</u>	<u>\$ 2,174</u>

NORTH DAKOTA STUDENT LOAN TRUST
COMBINING STATEMENT OF NET POSITION – Page 2
JUNE 30, 2025
(In Thousands)

	General Bond Resolution Fund	Second General Bond Resolution Fund	Combined
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Due to other state agencies	\$ 4	\$ -	\$ 4
Accrued fees payable - related party	-	1	1
Total current liabilities	<u>4</u>	<u>1</u>	<u>5</u>
NONCURRENT LIABILITIES			
Bonds payable	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total noncurrent liabilities	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total liabilities	<u>1,004</u>	<u>1</u>	<u>1,005</u>
NET POSITION			
Restricted for debt service	58	774	832
Unrestricted	<u>(2)</u>	<u>339</u>	<u>337</u>
Total net position	<u>56</u>	<u>1,113</u>	<u>1,169</u>
Total liabilities and net position	<u>\$ 1,060</u>	<u>\$ 1,114</u>	<u>\$ 2,174</u>

NORTH DAKOTA STUDENT LOAN TRUST
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2024
(In Thousands)

	General Bond Resolution Fund	Second General Bond Resolution Fund	Combined
ASSETS			
CURRENT ASSETS - UNRESTRICTED			
Interest receivable	\$ 2	\$ -	\$ 2
Due from other state agencies	-	5	5
Total unrestricted current assets	<u>2</u>	<u>5</u>	<u>7</u>
CURRENT ASSETS - RESTRICTED			
Cash and cash equivalents	33	710	743
Investments	1,000	-	1,000
Student loans receivable	-	53	53
Total restricted current assets	<u>1,033</u>	<u>763</u>	<u>1,796</u>
NONCURRENT ASSETS - UNRESTRICTED			
Student loans receivable	-	388	388
Total assets	<u>\$ 1,035</u>	<u>\$ 1,156</u>	<u>\$ 2,191</u>

NORTH DAKOTA STUDENT LOAN TRUST
COMBINING STATEMENT OF NET POSITION – Page 2
JUNE 30, 2024
(In Thousands)

	General Bond Resolution Fund	Second General Bond Resolution Fund	Combined
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Due to other state agencies	\$ 5	\$ -	\$ 5
Accrued fees payable - related party	-	1	1
Total current liabilities	<u>5</u>	<u>1</u>	<u>6</u>
NONCURRENT LIABILITIES			
Bonds payable	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total noncurrent liabilities	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total liabilities	<u>1,005</u>	<u>1</u>	<u>1,006</u>
NET POSITION			
Restricted for debt service	33	763	796
Unrestricted	<u>(3)</u>	<u>392</u>	<u>389</u>
Total net position	<u>30</u>	<u>1,155</u>	<u>1,185</u>
Total liabilities and net position	<u>\$ 1,035</u>	<u>\$ 1,156</u>	<u>\$ 2,191</u>

NORTH DAKOTA STUDENT LOAN TRUST
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025
(In Thousands)

	General Bond Resolution Fund	Second General Bond Resolution Fund	Combined
OPERATING REVENUES			
Interest on student loans	\$ -	\$ 24	\$ 24
Total operating revenues	-	24	24
OPERATING EXPENSES			
Interest	54	-	54
Service fees	-	4	4
Bond related expenses	-	11	11
Total operating expenses	54	15	69
OPERATING INCOME/(LOSS)	(54)	9	(45)
NONOPERATING REVENUE			
Investment income	25	4	29
INCOME (LOSS) BEFORE TRANSFERS	(29)	13	(16)
TRANSFERS			
Interfund	55	(55)	-
CHANGE IN NET POSITION	26	(42)	(16)
NET POSITION, BEGINNING OF YEAR	30	1,155	1,185
NET POSITION, END OF YEAR	\$ 56	\$ 1,113	\$ 1,169

NORTH DAKOTA STUDENT LOAN TRUST
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024
(In Thousands)

	General Bond Resolution Fund	Second General Bond Resolution Fund	Combined
OPERATING REVENUES			
Interest on student loans	\$ -	\$ 27	\$ 27
Total operating revenues	-	27	27
OPERATING EXPENSES			
Interest	61	-	61
Service fees	-	4	4
Bond related expenses	-	10	10
Total operating expenses	61	14	75
OPERATING INCOME/(LOSS)	(61)	13	(48)
NONOPERATING REVENUE			
Investment income	21	4	25
INCOME (LOSS) BEFORE TRANSFERS	(40)	17	(23)
TRANSFERS			
Interfund	61	(61)	-
CHANGE IN NET POSITION	21	(44)	(23)
NET POSITION, BEGINNING OF YEAR	9	1,199	1,208
NET POSITION, END OF YEAR	\$ 30	\$ 1,155	\$ 1,185

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Governor of North Dakota
and the Legislative Assembly
State of North Dakota
Bismarck, North Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the North Dakota Student Loan Trust (the Trust), an enterprise fund of the State of North Dakota, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Trust’s basic financial statements, and have issued our report thereon dated August 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Trust’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not yet been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Bismarck, North Dakota
August 18, 2025

North Dakota Student Loan Trust
Auditor's Specific Comments Requested by the North Dakota Legislative Audit and Fiscal Review
Committee
Year Ended June 30, 2025

Governor of North Dakota
and the Legislative Assembly
State of North Dakota
Bismarck, North Dakota

The Legislative Audit and Fiscal Review Committee requires a separate audit summary from certified public accountants performing audits of state agencies. The separate audit summary regarding the June 30, 2025 audit of North Dakota Student Loan Trust is as follows:

Purpose of the Audit

North Dakota Student Loan Trust is an enterprise fund of the financial statements of the state of North Dakota. The purpose of the audit of North Dakota Student Loan Trust is to express an opinion on the financial statements of North Dakota Student Loan Trust.

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with Government Auditing Standards, will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually and in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Type of Audit Opinion

We issued an unmodified opinion on the financial statements of North Dakota Student Loan Trust.

Findings and Recommendations

We have no findings or recommendations to communicate as a result of the audit.

Status of Prior Recommendations

There were no findings or recommendations communicated in the prior audit.

Explanations of Significant Audit Adjustments and Misstatements

There were no significant audit adjustments or uncorrected misstatements that were identified as a result of our audit procedures.

Disagreements with Management or Difficulties Encountered during the Audit

No disagreements with management arose during the course of the audit.

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Other Audit Report Highlights

None

Cost of the Audit Compared to the Prior Audit

The cost of the 2025 North Dakota Student Loan Trust audit was \$11,000.

The cost of the 2024 North Dakota Student Loan Trust audit was \$10,200.

This report is intended solely for the information and use of the Governor of North Dakota, Legislative Assembly, North Dakota Industrial Commission, Bank of North Dakota Advisory Board and management of the Program, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Bismarck, North Dakota
August 18, 2025

August 18, 2025

Governor of North Dakota
and the Legislative Assembly
State of North Dakota
Bismarck, North Dakota

We have audited the financial statements of the North Dakota Student Loan Trust (the Trust) as of and for the year ended June 30, 2025, and have issued our report thereon dated August 18, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated May 28, 2025 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Trust solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards dated August 18, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Trust is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such sensitive accounting estimates were identified.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Trust's financial statements relate to Note 6 – Interfund and Related Party Transactions.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Trust's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report.

We have made the following modification to our auditor's report to add an Emphasis of Matter paragraph.

As discussed in Note 1, the financial statements of the Trust are intended to present the financial position, the changes in financial position and cash flows of only that portion of the State of North Dakota that is attributable to the transactions of the Trust. They do not purport to, and do not, present fairly the financial position of the State of North Dakota as of June 30, 2025 and 2024, and the changes in its financial position, and, where applicable, cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Representations Requested from Management

We have requested certain written representations from management that are included in the management representation letter dated August 18, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Trust, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Trust's auditors.

EXHIBIT B-1, cont.

This report is intended solely for the information and use of the Governor of North Dakota, Legislative Assembly, North Dakota Industrial Commission, Bank of North Dakota Advisory Board, and management of the Trust and is not intended to be, and should not be, used by anyone other than these specified parties.

Eide Bailly LLP

Bismarck, North Dakota
August 18, 2025