

SENATE FILE NO. SF0026

Endowment challenge program-state funds inviolate.

Sponsored by: Joint Judiciary Interim Committee

A BILL

for

1 AN ACT relating to the University of Wyoming endowment
2 challenge program; clarifying that the corpus derived from
3 state matching funds is inviolate and limiting expenditures
4 from the corpus as specified; requiring a report; and
5 providing for an effective date.

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7 *Be It Enacted by the Legislature of the State of Wyoming:*

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9 **Section 1.** W.S. 21-16-904(a)(iii) and by creating a
10 new subsection (d) is amended to read:

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12 **21-16-904. Endowment challenge fund matching fund**
13 **program; matching payments; agreements with university**
14 **foundation; annual reports; reversions of appropriations;**
15 **legislative oversight.**

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1 (a) The state treasurer shall administer the matching
2 fund program established under this section. The following
3 shall apply to the program:

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5 (iii) The university shall immediately transfer
6 all matching funds received to the university foundation to
7 be permanently invested. The university shall enter into a
8 new agreement or modify its existing agreement with the
9 University of Wyoming foundation under which the foundation
10 shall manage the matching funds it receives in the same
11 manner as other permanent endowment funds managed by the
12 University of Wyoming foundation subject to the provisions
13 of this section. Expenditures may be made from that portion
14 of the funds attributable to endowment gifts received in
15 accordance with the Uniform Prudent Management of
16 Institutional Funds Act. Notwithstanding that act, only the
17 earnings from the investment of ~~these state matching~~ funds
18 may be expended for purposes other than reasonable costs of
19 administration. These earnings shall be expended All
20 expenditures shall be used exclusively for the purposes of
21 the endowment, including ~~increasing the balance in the~~
22 ~~corpus and for~~ reasonable costs of administration. Earnings
23 also may be reinvested to increase the balance of the
24 corpus;

1

2 (d) As used in this section "earnings from the
3 investment of state matching funds" means that amount of
4 net appreciation, realized and unrealized, in the fair
5 value of assets of the endowment fund attributable to all
6 state matching funds which exceeds the total amount of
7 those state matching funds when distributed by the state
8 treasurer to the university.

9

10 **Section 2.** The University of Wyoming shall report to
11 the joint judiciary interim committee no later than October
12 15, 2014 on the creation of a stabilization reserve account
13 for the endowment gifts and matching state funds managed
14 under W.S. 21-16-904.

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16 **Section 3.** This act is effective July 1, 2014.

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(END)