

51-8-304 Rebuttable presumption of imprudence -- Scope.

- (1) The appropriation for expenditure in any year of an amount greater than seven percent of the fair market value of an endowment fund, calculated on the basis of market values determined at least quarterly and averaged over a period of not less than three years immediately preceding the year in which the appropriation for expenditure was made, creates a rebuttable presumption of imprudence.
- (2) For an endowment fund in existence for fewer than three years, the fair market value of the endowment fund shall be calculated for the period of time the endowment fund has been in existence.
- (3) This section does not:
 - (a) apply to an appropriation for expenditure permitted under law other than this chapter or the gift instrument; or
 - (b) create a presumption of prudence for an appropriation for expenditure of an amount less than or equal to seven percent of the fair market value of the endowment fund.

Enacted by Chapter 59, 2007 General Session